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Korea

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East Asia

Korea

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KCNA: Chi Chang-ik Urges 'Prompt' Joint North-South Conference

*SK060909 Pyongyang KCNA in English
0430 GMT 6 Jan 88*

[Text] Pyongyang January 6 (KCNA)—A north-south joint conference attended by persons in authority of the north and the south, representatives of all the political parties and social organizations and people of all social standings, which was proposed by the great leader comrade Kim Il-song in his new year address for 1988, should be convened promptly, said Chi Chang-ik, secretary of the central people's committee of the Democratic People's Republic of Korea, in his press statement on January 5.

The south Korean people are a thousand and one times justified in their desire to take a direct part in the solution of the reunification question and, therefore, a north-south dialogue for peace and peaceful reunification of the country must choose a mode of talks which reflects their widespread views, the press statement said, and went on:

The proposal for the convocation of a north-south joint conference is a reasonable and positive save-the-nation one to resolve in a fair way problems arising in the balance of forces being reorganized in south Korea, that is, in the north-south relations in accordance with the general will of the whole nation, not merely with the views of any particular party or side, by putting together the will of the ruling party including the authorities in power, of the opposition forces including the opposition parties and of the people and personages of all social standings.

This is a realistic and signal proposal for national salvation; it takes into correct consideration the present-day situation under which such a national problem of converting the relationship of 40 odd year long distrust and confrontation between the north and the south into a new relationship of reconciliation and unity cannot be properly solved through talks between those in authority or talks between civilians alone as in the past.

I hold that if they are interested even a little in peace and peaceful reunification of the country, the south Korean authorities should abandon the stand for confrontation and division and adopt the stand for national reconciliation and unity, even now though belated, and renounce the policy of war and effect a switchover in their policy to detente.

At the same time, I hope that they will show positive response to the proposal for the convocation of a north-south joint conference which will make this year a historical year of change for national reconciliation and unity.

I express the expectation that all the political parties, social organizations and people of all social standings in south Korea will make positive efforts for the convocation of a north-south joint conference which will fully reflect their will.

Foreign Groups Said Supportive of North-South Conference

*SK191030 Pyongyang KCNA in English
1021 GMT 19 Jan 88*

[Text] Pyongyang January 19 (KCNA)—The proposal for convening a north-south joint conference is supported in foreign countries.

The Nepal world peace committee and the national press club of Nepal published a joint statement on January 8, which demanded the south Korean authorities to give prompt response to the proposal for convening a north-south joint conference clarified by president Kim Il-song and the United States not to obstruct it.

The statement said:

If the north-south joint conference is held, the situation on the Korean peninsula will be turned favourable for peace in Korea and her peaceful reunification and a signal advance be made in achieving national reconciliation and unity.

The United States must withdraw nuclear weapons from south Korea, conclude a peace agreement with the DPRK and refrain from doing acts obstructive to the efforts for the peaceful reunification of Korea. 15 public organisations of Pakistan including the Pakistan federation of trade unions, the democratic lawyers federation of Pakistan, the Karachi branch of the Pakistan-Korea friendship association in their joint statement dated January 10 expressed full support to the proposal for convening a north-south joint conference put forward by the great leader president Kim Il-song and called upon the world's peaceloving people to put pressure upon the south Korean authorities to accept the proposal without delay.

Noting that the U.S. troops' continued occupation of south Korea is the basic obstacle in the way of achieving reconciliation, unity and reunification between the north and the south, the statement demanded the U.S. forces to withdraw at once from south Korea, taking along all their aggressive weapons.

In its statement dated January 11, the Sweden-Korea friendship association pointed out that the proposal for convening a north-south joint conference clarified by president Kim Il-song of the democratic people's republic of Korea is a just one for removing tensions on the Korean peninsula and realising the independent and peaceful reunification of Korea. It fully supported the proposal.

It stressed:

The United States and the south Korean authorities must not take the road of aggravating the tensions on the Korean peninsula and fixing the division of Korea but give response to the DPRK proposal for national reunification.

**ROK Daily Calls Kim Il-song Proposal
'Preposterous Overture'**

*SK111009 Seoul SEOUL SINMUN in Korean
7 Jan 88 p 2*

[Editorial: "We Confute Kim Il-song's New Year Proposal"]

[Text] The year 1988 is not only of importance to the ROK, but is also of great significance to North Korea. Compared to the people in the South who are overflowing with hope and the opportunity for political democratization, economic development, and the Seoul Olympic games, North Korea is likely to spend this year amid renewed unrest and frustration as a result of political tension, which will rise in the course of preparing the transition to Kim Chong-il's system, the aggravation of the economic situation, and international isolation. The year 1988, during which the differences in political systems and economic and social developments between North and South Korea will become notably evident, will be a year that will have not a little effect on the fate of the Korean peninsula.

In his New Year message, Kim Il-song, who is well aware of the present situation prevailing in North and South Korea, put forward another stereotypical proposal for dialogue. Failing to mention the existing three-channel dialogue, he proposed the holding of a meeting attended by the representatives of the political, economic, and social circles, and other walks of life. In view of his inclusion of "persons in authority" in the meeting, he seems to intend to hold a dialogue with next President No Tae-u's new government, which will be launched soon. Kim proposed that the question of disarmament, the question of discontinuing the Korea-U.S. joint military exercise, and the question of cohosting the Seoul Olympic games be discussed at the meeting.

In view of the form of dialogue contrived by him and the agenda items proposed by him, Kim Il-song's New Year's proposal cannot but be called a preposterous overture beyond the bounds of common sense. If he genuinely wanted the easing of tension on the Korean peninsula, which he has talked about whenever he has advanced such a proposal, he would have no reason to refuse the existing channels of dialogue. The second round of North-South talks—such as Red Cross talks, economic talks, and preliminary contact for parliamentary talks which began in 1984—has been suspended since early in 1986, right after it was resumed, due to the North Korean side's unilateral refusal. Though the North Korean side found a reason to suspend the talks in

the Korean-U.S. military exercise, this was nothing but an excuse to foil dialogue. The joint exercise was initiated in the 1970s, and our side even invited the North Korean side to observe the drill. Also, it has frequently staged mobile exercises and joint naval drills with the Soviet Union.

As in the past, Kim Il-song tried to concentrate international attention on the question of U.S. forces in Korea in his New Year-address to make tension on the Korean peninsula seem to be attributable to U.S. forces in Korea. Kim has steadily demanded tripartite talks involving North and South Korea and the United States and multinational negotiations over disarmament. This is aimed at causing a military imbalance between North and South Korea in the wake of the withdrawal of the U.S. forces from the South. In addition, Kim Il-song, out of a sense of extreme frustration, tried to secure a means to disturb the Seoul Olympics at any cost. However, it is too late. All of his attempts to prevent the Olympic games from being successfully held—including an attempt to cohost them—have been virtually blocked. With 10 days before the deadline of application for entry, approximately 130 countries, including East European countries, have filed their applications for participation in the games. It is believed that the Seoul Olympics will be the most grand sports festival in history. If he wants to save face even a little, Kim should give up his far-fetched attitude and clearly state whether he has any intention of participating in the games. We are worried about a situation in which he may be obsessed with the delusion of playing with fire in despair when he has been plunged into a predicament with no way out.

**DPRK Daily on Kim Chong-il's Guidelines on
Party Work**

*SK141014 Pyongyang KCNA in English
1001 GMT 14 Jan 88*

[Text] Pyongyang January 14 (KCNA)— NODONG SINMUN Thursday dedicates a signed article to the fifth anniversary of the publication of dear comrade Kim Chong-il's work on bringing about a revolutionary change in party work (January 14, 1983).

In the work, comrade Kim Chong-il advanced important tasks for making a revolutionary change in party work in step with the developing reality, the tasks of firmly establishing a monolithic ideological system throughout the party, increasing the party's guidance of socialist economic construction, making officials adopt the work method of the great leader comrade Kim Il-song, and so forth.

The work serves as a valuable textbook of party work, which profoundly explains many theoretical and practical questions of great importance in party building and party activity and enriches the church-based theory of party building, the article says.

It continues:

The work lays stress on the need to thoroughly establish a monolithic ideological system in the party as the most important task of party work.

Comrade Kim Chong-il, member of the presidium of the political bureau, and secretary of the central committee of the workers' party of Korea, said:

"Establishing a monolithic ideological system in the party is the fundamental principle of party building and a permanent project with which all party organizations should press on at all times."

The party should be guided by the leader's ideology if it is to strengthen its unity and cohesion and succeed in fulfilling its grand revolutionary tasks. Only when a monolithic ideological system is established firmly throughout the party is it possible to continue consolidating the party ranks, increase the economic potentials of the country and improve the people's standard of living through acceleration of socialist economic construction.

The work also stresses the need to increase the party's guidance of socialist economic construction.

Party work should serve the promotion of socialist economic construction. The party members and other working people should work in the same way as they did during the post-war period of great chollima upsurge.

The work also puts emphasis on the need to thoroughly apply the work method of comrade Kim Il-song.

The work method is great in that the respected leader comrade Kim Il-song created it in the course of the long-drawn revolutionary struggle and set practical examples. It is a model and crystallization of communist work method and a great encyclopedia of the art of revolutionary leadership. The application of this method of work enables us to strengthen our party organizationally and ideologically and successfully carry out the ambitious revolutionary tasks assigned to us.

Over the five years since the publication of the work have witnessed the deepening of the work of establishing a revolutionary outlook on the leader and the party's monolithic ideological system among the party members and other working people and a definite sway of a revolutionary habit of carrying out comrade Kim Il-song's instructions and the party's policies unconditionally and thoroughly, as required by the cause of modeling the whole society on the *chuche* idea. [sentence as received]

Diplomatic, Media Responses to KAL Bombing

ROK Government Demands North Apologize
SK151006 Seoul YONHAP in English
0951 GMT 15 Jan 88

[Text] Seoul, Jan. 15 (YONHAP)—The South Korean Government demanded Friday that North Korea immediately admit its responsibility and make an open apology for the bombing of a Korean Air jetliner.

In an official statement by Culture and Information Minister Yi Ung-hui, the government also demanded that the North punish all those involved in planning, ordering and supporting the barbarous act.

Earlier Friday, South Korea's Agency for National Security Planning announced that two special North Korean agents acting on the hand-written instructions of Kim Chong-il, the son and heir apparent of North Korean leader Kim Il-song, planted a bomb on Korean Air Flight 858 on Nov. 29 intending to blow it up in midair.

Terming its demand for North Korea's apology and admission of guilt as minimal in view of the widespread anger and shock among the South Korean people, Yi warned that the North will not be able to escape justice including a retaliatory act in response to its brutal terrorist act.

Yi noted that the North Thursday called for a new round of inter-Korean talks to discuss mutual arms reductions and other issues, but added the disguised overture for dialogue will not be able to cover up its murderous act.

We put special emphasis on the importance of the North admitting its responsibility, making an open apology, and punishing those who were involved in the bombing as a way to facilitate the atmosphere for dialogue, if they (North Korea) really desire inter-Korean dialogue, Yi said.

On Thursday, North Korea called for a preliminary contact between the two Koreas for a new round of inter-Korean talks proposed by Kim Il-song to discuss mutual arms reductions and co-hosting of the 1988 Summer Olympic games scheduled to begin in mid-September in Seoul.

One day after the Soviet Union announced its participation in the Seoul Olympics on Monday, North Korea said it would not take part in the games unless it is allowed to co-host the Olympics with the South.

Recalling the North Korean terrorist bombing in Rangoon, Burma, in 1983 which killed 17 South Korean officials accompanying President Chun Tu-hwan on an Asian tour, Yi added that the South Korean people

inevitably felt both anger and sorrow over the fact that the North had once again committed a barbarous act adding to its list of numerous atrocities committed since the Korean War.

Yi called on all peace-loving countries and pertinent international organizations to reach a fair judgment and censure North Korea's barbarous and inhumane act in order to eradicate terrorist acts once and for all.

Diplomatic Steps Planned

SK150628 Seoul YONHAP in English
0617 GMT 15 Jan 88

[Text] Seoul, Jan. 15 (YONHAP)—With the announcement that a Korean Air (KAL) jetliner which vanished late last November was destroyed by a bomb planted by North Korean agents, the South Korean Government plans to take diplomatic steps to denounce Pyongyang for its act of brutality as well as to prevent the recurrence of a similar incident.

The Agency for National Security Planning announced Friday that two special North Korean agents acting under the instructions of Kim Chong-il, son and heir apparent of North Korean leader Kim Il-song, planted a bomb aboard KAL Flight 858 with 115 people aboard. Flight 858, which originated in Baghdad, Iraq, disappeared near Burma on Nov. 29 before it was to make a refueling stop in Bangkok en route to Seoul.

The Foreign Ministry informed Javier Perez de Cuellar, secretary-general of the United Nations, and Yves Lambert, secretary-general of the International Civil Aviation Organization (ICAO), of the probe results.

The ministry also briefed U.S. Ambassador James Lilley, Japanese Ambassador Shinichi Yanai and scores of other foreign envoys stationed here on the outcome of the investigation of a female suspect identified as Kim Hyon-hui, the 26-year-old daughter of a North Korean diplomat. Miss Kim had disguised her identity using the Japanese name of Mayumi Hachiya.

It is considering presenting evidence to the U.N. Security Council and submitting a resolution to the U.N. General Assembly charging North Korea with an act of barbarism.

Kim Hyon-hui Statement

SK160041 Seoul THE KOREA HERALD in English
16 Jan 88 p 3

["Text" of statement by Kim Hyon-hui on the bombing of Korean Air jetliner with 115 passengers and crew aboard last 29 November]

[Text] In accordance with a plan to blow up a South Korean plane, KE-858, we—Section Chief Mr. Choe, Mr. Kim and myself—went up to a lounge at 6:30 a.m. Thursday, Nov. 12, 1987, for an oath-taking ceremony.

At the oath-taking ceremony, I recited an oath which was written by Mr. Choe. After taking the oath, we had breakfast.

Around 7 a.m., we left the Guest House. Soon after we arrived at the Sunan Airport, the deputy department director came by car. After Guidance Officer Choe went through the exit paperwork, our four-member team (Mr. Choe, Guidance Officer Choe, Kim Sung-il, and Kim Hyon-hui) boarded a plane. We were seen off by the deputy department director.

The plane took off around 8:30 a.m. It was a maiden flight on the newly opened Pyongyang-Moscow-East Berlin route, so the in-flight service was especially good. They gave us gifts like playing cards, key holders and wallets.

We arrived in Moscow around 6:00 p.m. on Nov. 12. A guidance officer posted in Moscow met us at the airport and took us to the guest house of the (north) Korean Embassy in Moscow. He said that we'd better take the Budapest-bound plane leaving around 12 midnight on Nov. 12. Since he said that if we missed the plane, we would have to wait in Moscow for several days, we had dinner and departed from the guest house around 11:00 p.m. for Moscow Airport.

A little after midnight, we took off on a Budapest-bound Soviet plane. We arrived in Budapest around 4 a.m. Nov. 13.

On arrival, we found a guidance officer posted in Budapest waiting for us. He had received word we were coming from Moscow. We took his car and went to his residence (a guest house of the Research Department), where we unpacked our bags and rested. Dinner was prepared for us by the guidance officer's wife.

On the following day, Nov. 14, all of us, except Mr. Kim who remained behind to rest, made a sightseeing trip to downtown Budapest. We toured the city by subway.

On Nov. 15, we visited the major tourist attractions in Budapest in the guidance officer's car. They included Budapest Square, the Lion Bridge, the Palace of Buda, etc.

On Nov. 16, we again toured the city and took pictures. On the evening of Nov. 17, we had dinner at the Hilton Hotel. On the following day, Nov. 18, we prepared to depart.

The guidance officer told us that it was good to enter Vienna by car because the entry inspection was stricter at the airport. We thus changed our original plan to enter Vienna by airplane on the night of Nov. 17. We decided that Section Chief Choe and guidance Officer Choe would enter Vienna by train, and Mr. Kim and I would go in the car (Benz) of the guidance officer in Budapest. So we bought only two train tickets to Vienna.

Around 8 a.m. Nov. 18, the two Choes left for the Budapest Railway Station while the two of us crossed the Hungary border into Austria by car. At the border crossings, the exit and entry inspections were very simple.

On exiting, they rubber-stamped our (north) Korean passports. On entry, they let us pass after quickly glancing at our passports without even stamping them. After crossing the border, we gave our Korean passports to the guidance officer and received Japanese passports in return. After reaching southern Vienna around 1 p.m. the same day, the guidance officer drove his car back to Budapest.

In southern Vienna, Mr. Kim made room reservations at the Amparkring Hotel and we caught a taxi and went there. Because we were tired due to many hours of riding, we had a simple dinner and went to bed.

Around 10 a.m. Nov. 19, Mr. Kim and I went to an Austrian airlines office to make reservations for the rest of our pre-arranged flight schedule. Afterwards, we toured the city, using a tourist map we got at the hotel.

We visited an opera house and the vicinity around it in the downtown area, and in the afternoon, we drove to an Austrian airlines office to purchase our tickets. On Nov. 20, we called at an Italian airlines office to purchase Abu Dhabi-Amman-Rome tickets.

On Nov. 21, we toured the busiest shopping street in Vienna, where I bought a one-piece suit, winter socks, a necklace and earrings.

On the morning of Nov. 22, we rested, and in the afternoon, Mr. Kim telephoned the (north) Korean Embassy in Austria and informed Mr. Choe, the section chief, about the purchase of the plane tickets and made an appointment to meet at the Metropolitan Hotel in Belgrade at 7 a.m. on Nov. 27.

Around 11 a.m. on Nov. 23, we checked out and proceeded to the airport by taxi. After going through exit procedures, we boarded a plane around 2 p.m. and arrived in Belgrade around 6 p.m. From the airport, we picked up a taxi and proceeded to the Metropolitan Hotel.

On Nov. 24, we toured the downtown area by tram and took pictures. On Nov. 25, too, we toured the main streets and mosques. I also bought a sweater that day.

On Nov. 26, we went to an Austrian airlines office to buy Rome-Vienna air tickets.

At 7 p.m. on Nov. 27, we met Section Chief Choe and Guidance Officer Choe at the front entrance of the hotel. We went to our room together and talked about 10

minutes, at which time Section Chief Choe handed us explosives disguised as a radio and a bottle of liquor. The pair left taking one of our travel bags, which contained things we didn't need.

We rested at the hotel on the morning of Nov. 28. Around 11 a.m. we checked out and proceeded to the airport. Our airplane took off from Belgrade Airport at 2:35 p.m. as scheduled.

After a flight of three hours and 30 minutes, we arrived at Baghdad around 7 p.m. The plane was Iraqi. The crew seized the batteries of battery-powered goods at the time of boarding and returned them to the passengers only after the plane landed in Baghdad.

Sitting on chairs in the terminal, Mr. Kim put the batteries back into the radio. At that time, a female airport official took the transit passengers to a transit hall where male and female passengers were searched separately along with their personal belongings.

Here again, they raised the issue of the batteries in the radio because Baghdad airport regulations prohibit batteries from being carried onto a plane. Mr. Kim, complaining that this was the only place where the personal items of passengers were checked, turned the radio on as a gesture of protest. The airport officials acted as if they were sorry and permitted us to carry the radio.

While we were proceeding to have our air tickets checked, we were searched a second time. At the time, I had turned the radio over to Mr. Kim, and we passed the inspection without any trouble.

We checked in and received boarding passes, after which we waited to board in a waiting room. Twenty minutes before boarding, Mr. Kim fixed the time device on the radio for nine hours later.

Our airplane took off from Baghdad at 11:35 p.m. on Nov. 28. Boarding the plane, I sat in the center seat of the second row from the front in the economy class section. To the left of my seat was a Western woman and to the right was Mr. Kim. As he took his eat, Mr. Kim put his travel bag, a vinyl bag containing the radio with an explosive in it, a bottle of liquor and cigarettes in a compartment above his seat.

Shortly afterwards, some drinks and dinner were served. After the dinner, the Western woman and I went to the washroom. Ten minutes later, Mr. Kim went to the washroom.

After 20 to 30 minutes dozing, I found the airplane was approaching Abu Dhabi. After the plane touched down, we left the plane carrying my bag and Mr. Kim's travel bag, leaving the vinyl bag containing the explosive in the compartment.

As we entered the Abu Dhabi terminal, airport officers asked us to show our transit air tickets. So, we showed them our Belgrade-Baghdad-Abu Dhabi-Bahrain tickets. With our Japanese passports, we could only stay at the airport as transit passengers. We couldn't enter the country because we had no visa. This was why we had to show them our transit tickets instead of other ones, namely, the Abu Dhabi-Rome tickets.

In a show of kindness, they kept our passports and air tickets for us. Only around 9 a.m., they let us check in for Bahrain-bound plane and handed us boarding passes.

In this manner, we were obliged to take the Abu Dhabi-Bahrain plane, a route which we originally prepared only as a decoy. We took it at 9 a.m. on Nov. 29, and two hours later, we arrived in Bahrain. At the airport, we purchased three days food rations for \$30.

Since we had no hotel reservation in Bahrain, we tried to make reservations at a hotel through the airport telephone. But we weren't able to put the call through before an airport policeman came to us and made a call to the Regency Hotel for us. After Mr. Kim made a room reservation, we went to the hotel by taxi.

We rested that day. On the following day, Nov. 30, we toured the downtown area and Mr. Kim bought a white shirt. We then went to the Alitalia Airlines office where we changed the previously reserved Abu Dhabi-Rome tickets into Bahrain-Amman-Rome tickets for a plane leaving on Dec. 1.

In the afternoon, we toured the city of Bahrain by taxi and took pictures. Because it got dark so early, we bought some food to eat in the hotel. Shortly after we returned to the hotel room, the telephone began to ring.

—First, a hotel official asked our names, birth dates and passport numbers.

—Second, a Korean man made a call.

—Third, the Japanese Embassy asked about our passports.

—Fourth, a Korean man said he would call on us at the hotel.

Shortly afterwards, a south Korean diplomat came to our room. Sitting face to face with Mr. Kim, he explained in a mixture of Japanese and English about the crash of Korean Air 858. At that time, I pretended to be asleep as suggested by Mr. Kim.

After he left, Mr. Kim told that it appeared that the plane had obviously crashed, and that the crash would become a problem. He said that we needn't be worried. It would be all right if we left the following day, he said.

We woke up around 7 a.m. Dec. 1 and hastily prepared to leave. It was at that time that Mr. Kim put into my bag a cigarette pack containing poison capsules.

Because we overslept, we couldn't eat breakfast and hastily checked out and sped to the airport by taxi. We checked in first and filled in the exit cards. It was when we were about to pass an exit inspection stand that a man seized our passports and exit cards, telling us that we had to wait a little.

A while later, a Japanese Embassy official (male) approached us, saying that since our passports were false, we couldn't continue our trip. He said that we had to go to the Japanese Embassy and then return to Japan aboard a Japanese plane. He didn't return our passports.

As we waited on chairs, Mr. Kim said that now we were finished. Even if we were sent to Japan, he said, we would face death after many difficulties. So, he said, we have to take poison right away.

At that moment, the Bahrain policemen came to us and took us to separate rooms where they thoroughly searched our bodies and belongings. After the search, we sat on a chair together in the presence of the police. Mr. Kim lit a cigarette and handed one to me. When I was about to smoke it, a policeman said he would confiscate my purse. So I took the cigarette pack continuing the poison ampules from the purse before I handed it to him. At that moment, a policewoman asked me for the cigarette pack, as if she just then remembered she had forgotten to check my cigarettes.

I didn't know what to do. So, I looked at Mr. Kim who signaled me not to yield that pack. I quickly snatched the cigarettes from the policewoman and bit the filter of one of them. I immediately lost consciousness.

[Dated] Dec. 28, 1987

[Signed] Kim Hyon-hui

Training by Kidnapped Japanese Described
OW150903 Tokyo KYODO in English
0840 GMT 15 Jan 88

[Text] Seoul, Jan. 15 KYODO—A Japanese woman kidnapped by North Korean agents trained Kim Hyon-hui, a North Korean who blew up a Korean Air (KAL) plane last November, for two years from April 1981, the Agency for National Security Planning said Friday.

The agency said the Japanese, identified only by the name Une and said to be in her early 30s, gave Kim lessons on the Japanese language, customs and etiquette at a government guesthouse in Pyongyang so that she could pose as Japanese.

It said Une was kidnapped by North Korean agents working on the Sea of Japan Coast and taken to Pyongyang. It did not say when the abduction took place.

Kim and her male companion, identified as Kim Sung-il, are accused by the South Korean authorities of bombing the KAL plane with 115 people on board November 29 near the Thai-Burmese border en route from Baghdad to Seoul.

Agency Describes Bomb

SK150658 Seoul YONHAP in English
0646 GMT 15 Jan 88

[Text] Seoul, Jan. 15 (YONHAP)—North Korean agents planted a radio-type time bomb aboard Korean Air (KAL) Flight 858 which disappeared over Burmese territory on Nov. 29 killing all 115 people on board.

Sources at the Agency for National Security Planning said Friday the North Korean Workers Party's espionage operations department handed over the bomb to agents Kim Sung-il and Kim Hyon-hui, who actually planted the bomb on the KAL jetliner.

The bomb delivery was carried out at the Metropolitan Hotel in Belgrade, Yugoslavia, two days before the agents planted the bomb.

The bomb, which was made by remodeling a Japanese-made Panasonic RF-082 radio, was filled with 350 milligrams of composition C4 explosive.

The agents converted the alarm switch of the radio to a time adjustable switch and used one of three batteries as a detonator.

Composition C4, which is a far more powerful explosive than TNT, cannot be detected by x-ray methods or by trained dogs because it has no smell, is non-metallic in nature and can be easily reshaped.

A test by Korean security authorities proved that 350 milligrams of composition C4 can leave a hole 50 centimeters high and 50 centimeters wide in steel plate 10 millimeters thick.

The two North Korean agents also left behind a 700 c.c. P.L-X liquid explosive disguised in a liquor bottle on the KAL jetliner, according to the sources.

NSP Issues Statement

SK160543 Seoul Television Service in Korean
0140 GMT 15 Jan 88

[Statement by Yi Sang-yon, first deputy director of the Agency for National Security Planning (NSP); date and place not given—recorded]

[Text]The investigation into the midair explosion of Korean Air Flight 858 over the Andaman Sea in the territorial waters of Burma, at around 1405 on 29

November, in which all 115 persons aboard were killed, has established that the heinous atrocity was committed under the instruction of puppet North Korea's Kim Chong-il, the number two leader of North Korea.

It has been verified that the culprits were two puppet North Korean undercover agents disguised as Japanese nationals using the names of Shinichi Hachiya and Mayumi Hachiya. The real name of Shinichi Hachiya, who killed himself by ingesting poison at Bahrain airport, was found to be Kim Sun-il, a special agent working for the Research Department of the Central Committee of the puppet WPK. Mayumi Hachiya, still under investigation, has been found to be Kim Hyon-hui, a special woman agent, who also worked for the Research Department of the Central Committee of the puppet WPK.

In July 1984, the two agents were paired as father and daughter for the purpose of carrying out a special mission to obstruct the 1988 Seoul Olympics and otherwise destabilize the South and were sent on a foreign trip for three months to familiarize themselves with conditions for counter-operations. Beginning on 7 October 1987, they were trained for a month in the use of time bombs and other sabotage techniques under instructions personally penned by Kim Chong-il to bomb a Korean Air passenger plane with the aim of discouraging foreign countries from applying for participation in the Seoul Olympics.

On 12 November 1987 they left Sunan airport, near Pyongyang, and arrived in Baghdad at 2030, local time, 28 November 1987, via Moscow, Budapest, Vienna, and Belgrade. They stayed in the waiting lounge at Baghdad airport for 3 hours to transfer to Korean Air Flight 858 bound for Abu Dhabi. At around 0505 on 29 November, 2305 28 November local time, about 20 minutes prior to the scheduled departure of the said plane, they set time bombs, one concealed in a radio and another, a liquid explosive, concealed in a liquor bottle, to explode 9 hours later and boarded the plane they were planning to blow up.

At 0744 on 29 November, or 0244 of 29 November local time, they left the plane at Abu Dhabi airport, a stopover for the flight, after leaving the bombs in an overhead compartment of the plane. Nine hours later, Korean Air Flight 858 exploded at 1405 29 November over the Andaman Sea off the Burmese coast, with the murder of 115 noble people.

I will talk about the identification of the culprits: Kim Sung-il, an elite agent who disguised himself as a Japanese by the name of Shinichi Hachiya, was a 70-year-old special agent of the Research Department of the Central Committee of the puppet WPK who had much experience overseas. His wife and seven children are living in Moranbong District, Pyongyang. He spoke four foreign languages—Japanese, Chinese, English and Russian—fluently and was an electronics expert.

[Seoul TONG-A ILBO on 15 January on page 3 publishes a report on the statement adding the following: "The contents of the forged Japanese passport carried by Kim Sung-il:

["Name: Shinichi Hachiya; Permanent address: Okayama, Japan; Date of birth: 2 November 1918 (age 70); Height: 170 cm; Passport No: MG5741632; Date of issue: 2 September 1983"]

Kim Hyon-hui, 26, who masqueraded as a Japanese woman by the name of Mayumi Hachiya, was born at Tongsin dong, Tongdaewon District, Pyongyang as the eldest daughter, among one son and two daughters, of her father Kim Won-sok, 58, who was then working for the puppet North Korean Foreign Ministry. She graduated from Hasin People's School and then from Chong-sin Middle School, both in Pyongyang, and attended the first-year course of the preparatory class at Kim Il-song University.

While a sophomore at Pyongyang Foreign Language College majoring in Japanese, she was recruited as an operative for the Research Department, the Central Committee, the puppet WPK, in February 1980, because of her outstanding beauty, talent, and family background.

Kim Hyon-hui joined the puppet WPK on 15 April 1982. She was awarded a medal for meritorious service to the state in commemoration of the 40th anniversary of national liberation on 15 August 1985. On 15 April 1987, she was awarded the Order of the National Flag, class III, for her service as a special woman agent.

[Seoul TONG-A ILBO adds: "Contents of the forged Japanese passport carried by Kim Hyon-hui: Name: Mayumi Hachiya; Permanent address: Okayama, Japan; Date of birth: 27 January 1960 (age 28); Passport No: MG5021208; Height: 162 cm; Date of issue: 16 March 1983"]

It has been verified that Kim Won-sok, her father, served as a third secretary at the puppet North Korean Embassy in Cuba from 1962-67. He was stationed later at the puppet North Korean Embassy in Moscow. It has been learned that currently, he is working as the fisheries representative at the North Korean Trade Representative Office in Angola. Efforts are being made to verify this.

At present, three of Kim Hyon-hui's family are living in Apartment No 1 on the seventh floor of the Trade Ministry Apartment Building, Munsu 1-dong, Munsu District, Pyongyang. They are Yim Myong-sik, 54, her mother, who taught at Manwol Middle School in Pyongyang, until she got married; her sister, a teacher at Tonghung Middle School, Pyongyang; and her brother, a graduate of Pyongyang Foreign Language College. All of her family are hardcore members of the puppet North Korean WPK.

Kim Hyon-hui was a child actress from her people's school days owing to her beautiful face and good family background. On 2 November 1972, while she was attending middle school, she presented a flower bouquet to Chang Ki-yong, a delegate of our side to the South-North Coordinating Committee, when he visited Pyongyang to attend the second meeting of that committee.

I will next talk about their training as saboteurs: Kim Hyon-hui was recruited as an operative in February 1980 for her good looks and ability to speak Japanese while she was attending a second-year course at Pyongyang Foreign Language College. Beginning in April 1980, she underwent a year's training in seclusion in political ideologies, martial arts, shooting, long-distance marching, and other military courses at Kumsong Political-Military College, an institution for training undercover agents, located in Yongsong District, Pyongyang.

For 2 years from April 1981 to March 1983, she lived with a Japanese serving as a puppet North Korean agent at a guest house at Tongbuk-ri, Pyongyang, to become familiar with Japanese customs and manners, as well as to improve her ability to speak Japanese, so that she would be able to pass for a Japanese woman.

For about 16 months between March 1983 and July 1984, she was transferred to another guest house at Tongbuk-ri for professional training in espionage, including military training, automobile driving, photography, and clandestine telecommunications to prepare for anti-South covert operations.

She also made trips abroad to familiarize herself with how things were overseas. For operations to destabilize the South, in July 1984 Kim Hyon-hui was paired with Kim Sung-il as a father-daughter sabotage team and underwent thorough training for 3 years and 4 months in covert operations, including bombing, foreign languages, and adaptation to capitalist cultures.

For a month from 15 August 1984, they traveled to Vienna, Copenhagen, Frankfurt, Geneva, and Paris to become familiar with foreign climates and venues. They used North Korean passports in communist countries and forged Japanese passports in Western countries.

After their European tour, Kim Hyon-hui sneaked into Macao alone via Hong Kong and stayed in Room 122 of the Aido Hotel.

Meanwhile, Kim Sung-il disguised himself as a Japanese named Shinichi Hachiya and sneaked alone into Kimpo Airport on 21 September 1984 and stayed at the President Hotel in Seoul for 6 days until 26 September. He then flew to Macao on 28 September and met with Kim Hyon-hui and returned to Pyongyang on 2 October via Beijing.

Kim Hyon-hui also returned to Pyongyang and underwent intensive training in Japanese and Chinese for 6 months from January to June 1985. Thereafter, she was sent to Guangzhou, China, and Macao for a year and a half to become familiar with languages and customs there.

Kim Hyon-hui was thus trained for 7 years and 8 months as an overseas operative posing as a foreigner.

The bombing of Korean Air Flight 858 was carried out under orders personally penned by Kim Chong-il and delivered to Kim Sung-il and Kim Hyon-hui through the chief of the Research Department, the Central Committee, the puppet WPK, on 7 October 1987. The gist of Kim Chong-il's order is:

—The party has decided to bomb a Korean Air plane with the aim of blocking the South Korean sides maneuvers to fabricate the two Koreas and also to host the 1988 Olympics on its own.

—This project, to be carried out at a critical juncture in time, will pour cold water on the desire of all nations of the world to participate in the Olympics and will deal the South Korean puppet regime a fatal blow.

—This project must be accomplished without fail and must be kept in absolute secrecy.

Upon receiving the orders to blow up the Korean Air plane, the two operatives received bombing training for 1 month from 7 October to 10 November at a guest house at Tongbuk-ri, Pyongyang. They were given specific instructions to:

—Plant time bombs disguised as a small radio and a bottle of liquor routinely carried by travelers in a plane in such a way that there would be no incriminating evidence left behind.

—Travel with Section Chief Choe of the Research Department, the puppet North Korean WPP to Belgrade via Moscow, Budapest and Vienna.

—Receive explosives from Section Chief Choe in Belgrade.

—Board a Korean Air jetliner that would depart from Baghdad for Seoul; leave the time bombs prepared in advance in the aircraft and disembark at Abu Dhabi Airport, a stopover; fly to Vienna and join Section Chief Choe there; and return to Pyongyang.

In addition, Kim Hyon-hui was separately instructed to:

—Prepare and set time bombs herself in case Kim Sung-il, the master operative, was unable to do so for some unforeseen and unavoidable reason.

—Pretend to be a Japanese and the daughter of Kim Sung-il and to be on a foreign sightseeing tour together and thus effectively conceal the man's real identity, and also take care of their operational funds.

—Chew the filter tip of a cigarette concealing a poison capsule to kill herself in the worst case scenario to protect the prestige and reputation of Comrade Kim Chong-il by all means.

On 10 November 1987, 2 days before their departure from Pyongyang, the chief of the Research Department, the puppet North Korean WPK, emphasized to the two operatives that Kim Chong-il gave them instructions that he had personally penned. The department chief then gave them the final instruction to bomb Korean Air Flight 858 that would leave Baghdad at 2330 28 November 1987 for Seoul.

In such a manner, puppet North Korea worked out careful plans over two months from October to November with the aim of making the bombing a perfect crime in which the culprits would never be known.

It is obvious that puppet North Korea implemented the covert project to bomb an airliner bound for Seoul about 50 days prior to the deadline for applying to participate in the Seoul Olympics for thW purposes of:

—Drawing world attention to security problems involved in the Olympics and thGs discouraging nations from participating in the games, and ultimately aborting them.

—Further confusing the political situation in November in South Korea which had already become tense due to the urgent political agenda, including the constitutional revision and the presidential election scheduled for December, thus creating social chaos to obstruct the process of democratization.

—Abetting the mistrust of working class grass roots in the country in their government by victimizing Koreans working abroad who mostly fly Korean Air between their homeland and overseas work sites, taking advantage of the fact that Korean Air Flight 858 from Baghdad to Seoul serves various gateways to the Middle East and Southeast Asia.

At 0600 on 12 November 1987, 2 days after they received the order to bomb the plane, Kim Hyon-hui read the following before a picture of Kim Chong-il in the living room of the guest house:

At this juncture, when the whole nation is undergoing the grand construction of socialism at the pace of the eighties, the revolution in South Korea is at a high pitch and the enemies' maneuvers to fabricate the two Koreas is getting increasingly malicious, I, having been assigned to a combat mission beyond the frontlines, will keep in mind the party's trust and consideration, will abide by

the Three Revolutionary Codes and will truthfully carry out my mission in close cooperation with my partner. I will fight to the death for the lofty authority and prestige of the dear comrade leader.

After the oath-taking, Kim Hyon-hui received a puppet North Korean passport in the name of Kim Ok-hwa. She left Sunan Airport in Pyongyang with Kim Sung-il, a master spy, under the guidance of Section Chief Choe and Guidance Officer Choe of the Research Department of the puppet North Korean WPK, who had diplomatic passports, and arrived in Budapest, via Moscow, on 13 November 1987.

On 18 November 1987, after a 6-day layover at a secret hideout prepared by the officials of the puppet North Korean Embassy, they went by embassy car to Vienna and stayed at the Amparkring Hotel, Room 603, for 5 days. On the way there, they turned in their puppet North Korean passports and received fake Japanese passports in the names of Shinichi and Mayumi Hachiya.

On 19 November 1987, to transfer in Baghdad to Korean Air Flight 858, the target of their operation Kim Sung-il they bought airline tickets on Austria Airlines bound for Bahrain via Vienna, Belgrade, Baghdad, and Abu Dhabi.

The following day, they purchased tickets for Rome via Abu Dhabi and Amman on Alitalia Air Lines for their return home after completing their assignment.

They left Vienna on Austria Airlines around 1425 on 23 November 1987 local time and arrived in Yugoslavia around 1530 the same day and checked into the Metropolitan Hotel Room 811. On 26 November, they bought tickets in advance from Rome to Vienna on Austria Airlines so that they could join the guidance officers, including Section Chief Choe, after completing their assignment.

Around 1900 on 27 November, they received a time bomb disguised as a Japanese-made Panasonic radio and liquid explosives in a liquor bottle from Section Chief Choe who had come to Belgrade on a train.

As planned, in the evening of 28 November, they boarded Korean Air Flight 858 bound for Seoul from Baghdad via Abu Dhabi and Bangkok, carrying the explosives with them. Kim Hyun-hui put the explosives, which she was carrying in her shopping bag, in the compartment over seat numbers 7B and 7C and they got off the plane at Abu Dhabi Airport, carrying only their personal belongings.

It was verified that Flight 858 continued to Bangkok, exploding in the air around 1405 Korean Standard Time [KST], 9 hours after the time bombs had been set and after the pilot had radioed a message to the Rangoon

control tower at 1401 KST on 29 November from the air over the Burmese Andaman Sea area. The message read: We are expected to arrive at Bangkok right on time. Time and location normal.

The procedure of the investigation into this incident is as follows: When Flight 858 disappeared after its last communication with the Rangoon control tower at 1401 on 29 November, the government and Korean Air analyzed the overall situation and concluded there was a great possibility the plane had been blown up in the air by terrorists and immediately instructed the embassy in the United Arab Emirates and the Korean Air Branch Office to check the 15 foreigners who had disembarked at Abu Dhabi Airport. Shinichi Hachiya and Mayumi Hachiya were chosen as the most likely suspects. They were suspected for several reasons.

—On the entry report forms, they had simply written their given names, Shinichi and Mayumi contrary to the usual custom of Japanese tourists of only writing family names.

—They had traveled to such places as Vienna and Belgrade which are frequently used by puppet North Koreans as bases for overseas operations.

—They used Flight 858 passing through Baghdad and Abu Dhabi, even putting up with 3-to 6-hour waits at airports as transit passengers despite the fact that Bahrain, their destination, could be more conveniently reached by a direct route from Belgrade and Amman.

—They quickly checked out of their hotel before they were scheduled after the plane was reported missing.

—Based on these suspicious facts, our mission in Bahrain promptly had the Japanese passports, which they were carrying, checked at the Japanese Embassy and it was discovered that they were fake.

—While they were going through exit procedures, they were apprehended. While being held for questioning, they tried to commit suicide by taking poison, thus increasing suspicion about them.

Immediately after this incident, this agency began to assume the case was an act of puppet North Korean terrorism and quickly dispatched investigators to Bahrain.

The investigators asked for them to be extradited to Korea, explaining to the Bahrain investigation authorities that they must be puppet North Korean agents because their method of trying to kill themselves by taking poison was identical to that used by puppet North Korean agents and that the appearance of the poison they used was the same as that held by puppet North Korean agents Sin Kwang-su and Chong Hae-kwon who were arrested in the past.

The investigation began in earnest when the Bahrain authorities complied with the request and handed Kim Hyon-hui, the body of Kim Sung-il and all the evidence over on 15 December.

Immediately after arriving in Seoul on 15 December, Kim Hyon-hui refused to eat or talk. She only laid on her bed with her eyes closed due to the aftereffects of the poison and exhaustion.

The next day, Kim was given a thorough medical check-up. She was already under medical care for the aftereffects of the poison and precautionary measures were taken to preclude another attempt at suicide. She began to make simple statements in Chinese and Japanese.

On 18 December, three days after her arrival, she asked in Chinese for a hamburger after having eaten a bowl of rice gruel. She also started to eat rice.

Even after she had calmed down, she did not respond to any questions posed in Korean for 5 days. She pretended she was Chinese, for example, by writing and reciting Chinese poetry.

There were many difficulties in the investigation because she made many false statements in both Chinese and Japanese. She said: I am Bai Yu-hui from Heilongjiang Province in China and lived in Guongzhou. My mother married again soon after I was born, so I am all alone.

I illegally moved to Macao from Guongzhou in July 1986 and met Shinichi Hachiya there while I was employed at a gambling house and was adopted by him and lived in Japan.

I have been in Pyongyang to meet my mother who had gotten married to a Korean and worked at a textile factory.

However, not only were her habits, including the way she arranged her bedding during the investigation, the thoroughly disciplined habits taught at puppet North Korean guest houses but her address in Japan was found to be false.

Also, the fact that she was not familiar with the traditional life-style and geography of China or Japan and that she did not speak Chinese with a Heilongjiang Province accent caused the investigators to check the possibility that her statements were false.

As time passed, she became very agitated because judging from what she could learn of life in Korea from Korean TV and from the attitudes of the investigators, which were very different from how she was taught in puppet North Korea they would be, she began to realize that she had been exploited as a tool for North Korean terrorist activities based on false premises.

Around 1700 on 23 December, 8 days after her arrival, she suddenly touched a female investigator and using Korean for the first time, said: Forgive me. I'm sorry. Since then she has made a total confession in Korean.

ROK Dailies on Results of Investigation

[Editorial Report] Seoul KYONGHYANG SINMUN in Korean on 15 January publishes on page 2 a 1,000-word editorial entitled "The Barbarity Inflicted on the KAL Plane Has Been Perpetrated According to Kim Chong-il's Hand-written Directive—the North's Devilish Nature Has Been Fully Exposed. Is This a Country of Our Fellow Countrymen?"

Noting that "the bombing of the Korean Air flight 858 passenger plane in midair has been proven as a barbarity perpetrated under direct order of North Korea's Kim Chong-il," the editorial said that "the true state of the crime revealed by the culprit Kim Hyon-hui has once again opened our eyes to the degree of persistence and brutality with which North Korea has perpetrated its operations against the South."

Saying that "the thought of those in North Korea approaching us with conciliatory gestures and babbling about such things as co-hosting the Olympics, while plotting such an enormous crime and ordering its perpetration, sends shudders up our spines," the editorial condemns the double-dealing nature of the communists.

After citing various forms of atrocities North Korea has so far inflicted on the South, the editorial said that the bombing of the Korean Air plane in midair has once again proven that North Korea still goes on the path of violent terrorism even though the whole world is seething with indignation against uncivilized terrorism.

The editorial continues to say that "the true picture of the bombing of the passenger plane in midair has once again confirmed how persistent are the maneuvers of the puppet group in the North to hamper the 1988 Olympics."

Stating that "the Soviet Union and communist China have announced their decision to take part in the Seoul Olympics, thereby providing, after 12 years, a venue for detente between the East and West," the editorial says that "Seoul has now become the central stage for this."

The editorial concludes by stressing the need to be more vigilant against North Korea.

Seoul TONG-A ILBO in Korean on 16 January publishes on page 2 a 1,000-word editorial entitled "The Group of Murderers Over There in the North—a Barbarity That Has Blown Out Even the Ground on Which They Must Stand."

The editorial says: "Even after accepting, without any conditions, the theories that justify such violence and terrorism as advocated by the communist groups that claim violence as an inevitable instrument in liberating the worker-peasants, the trend of the violence-first principle that exists in the northern half of the Korean peninsula is hard to understand."

Noting the fact that workers were aboard the downed plane, the editorial condemns North Korea, which claims to stand for the interest of the working class, for having killed workers by blowing up the Korean Air passenger plane.

Citing the atrocities committed by such violence-oriented groups as the Nazis and Stalinist terrorists, the editorial says: "Even such notorious terrorist groups as the Baader-Meinhoff gang and Japan's Red Army have not committed such barbarous acts as blowing up a passenger plane in midair."

Noting the fact that even Miss Kim Hyon-hui and the 70-year-old Mr Kim sung-il, who is now dead, are victims of Kim il-song and Kim Chong-il, the editorial says that the only way to liberate the people who happen to live in the North, but who are nevertheless our fellow countrymen, lies in "our demonstrating what genuine freedom and what humanitarianism based on freedom are all about. Showing them what the free people, not the instrument used for slaughtering, really are is one reason why we must establish a liberal democratic system ourselves."

Seoul CHOSON ILBO in Korean on 16 January publishes on page 2 a 1,500-word editorial entitled "Is It Still Necessary for Us To Induce and Encourage the North To Participate in the Olympics?—We Ask All the Conscientious People of the World Upon the Disclosure of the Truth of the KAL Incident." The editorial denounces "the atrocious act" of exploding the KAL airplane in which 115 passengers were sacrificed as an intolerable crime committed at the directive of Kim Chong-il, son of Kim Il-song.

Reiterating the details of the plot revealed by Kim Hyon-hui, a North Korean covert agent who formerly used the name "Mayumi," over exploding the airplane, the editorial states that all the people in the North, including Kim Il-song, are our fellow countrymen. "However, in the 3 years after 1950, several million innocent people were killed by the group of such fellow countrymen who fanatically believe in the communist theory, and the nation's lands and properties were reduced to ashes by them."

After recalling various instances of violent acts committed by the North in the past, including "the digging of tunnels under the Demilitarized Zone for southward

invasion," the editorial points out that we feel "shame" and "disgrace" for being the same people when the atrocious and violent acts of the North were revealed to the world.

The editorial then notes that we are "filled with indignation" and asks the "conscientious people" of the world if it is still necessary for us "to share the Olympic games with such a group" and to encourage it to participate in the Seoul Olympics. The editorial doubts the possibility of holding a dialogue with this group and stresses that we cannot expect that the North would change its nature in the future and that our hope for such expectations has "vanished."

Seoul HANGUK ILBO in Korean on 16 January publishes on page 2 an editorial which denounces the North as "a blind terrorist group" and stresses that the current brutal act of exploding the KAL airplane was designed to "disturb the Seoul Olympics and was carefully worked out at the directive of Kim Chong-il, the 'bloody ring-leader' of the incident of exploding the aircraft. The editorial observes: The truth and entire picture of the explosion of the KAL airplane have now been exposed to the entire world. Even if North Korea carries out the maneuvers to destroy the Seoul Olympics, the foundation for the success of the Olympics is being further consolidated. The East European sphere, including the Soviet Union, and Communist China officially announced their participation in the Seoul Olympics. Can't North Korea realize that it will only deepen its own international isolation even if it adheres to stubbornness?"

The editorial then calls on international society, as well as the Korean people, to punish and deal with such an "atrocious terrorist act."

Seoul SEOUL SINMUN in Korean on 16 January publishes on page 2 an editorial entitled "We Sternly Ask Who Is Responsible for the Atrocious, Brutal Act." The editorial states that the "terrorist act" of the North against the KAL aircraft has now been fully exposed to the entire world through the confession of a North Korean covert agent who formerly used the name "Mayumi." Stressing that "what the North Korean puppet clique is aiming at today is the lives of all of our people," the editorial observes: The incident of exploding the KAL airplane again showed how persistently and atrociously the North Korean puppet group is maneuvering to obstruct and destroy the Seoul Olympics.

The editorial then calls for "every means to deal with maneuvers and terrorist acts of the North Korean puppets" which are expected to take place before and during the Seoul Olympics, as well as for "the cooperation and joint efforts" of the international society to prevent such a terrorist act. The editorial concludes by paying silent tribute to the souls of 115 passengers who were sacrificed during the explosion of the airplane.

Daily Denounces North

SK160019 Seoul THE KOREA TIMES in English
16 Jan 88 p 8

[Editorial: "Real Account on KAL Tragedy"]

[Text] As was presumed by all peace-loving people in the world, the Korean Airlines plane tragedy, in which 115 people were massacred toward the end of November last year, turns out to be a deed perpetrated by the clique of Kim Il-song of the Communist regime in the north.

A 26-year-old woman, thus far known only as "Mayumi," the name on her forged Japanese passport, yesterday confessed in a nationally televised press conference that she and her male companion blew up the KAL passenger craft to disrupt the Seoul Olympics and so that social unrest might be created in the south.

The woman, who identified herself as Kim Hyon-hui, revealed that she was a Communist North Korean agent. Her male companion, who, unlike her, died in their suicide attempt, was identified as Kim Sung-il, a 70-year-old North Korean intelligence agent and a member of the ruling North Korean Communist Party.

She further revealed that the two were acting on the personal orders of Kim Chong-il, son and heir apparent of the North Korean leader. The two North Korean agents were said to have planted a time bomb disguised as a radio set and plastic explosives contained in a liquor bottle in the cabin rack of KAL flight 858 while flying from Baghdad, Iraq, to Abu Dhabi, United Arab Emirates.

The ill-fated KAL plane is believed to have crashed into the Andaman Sea, with all aboard presumed killed. No bodies have been recovered.

Only some years ago, a throng of ranking Korean officials, then accompanying President Chon Tu-hwan on a tour to the Burmese capital of Rangoon, were killed en masse there by a bomb planted by Pyongyang-dispatched agents, an event still vividly etched in our memory.

Wounds then inflicted by Communist terrorism deep in the hearts of the people in the south, together with the whole free world community, have yet to be healed. Now, the Communist regime in the north has perpetrated another horrible crime with the mid-air explosion of the KAL plane over a third country.

Particularly to be noted is the fact that the Rangoon terrorism took place at a time when the inter-Korea talks were under way in economic and sports sectors, indicative of the two-faced "smile tactics" employed by the Communist regime in North Korea.

This time, it is also ironical that the Pyongyang authorities are talking about the co-hosting of the Seoul Olympiad as a prerequisite for their participation in the international sports festivities to be held in the south this year.

The two Pyongyang agents involved in the KAL tragedy, it is now known, underwent special training for the terrorist mission over a seven-year period, in a die-hard attempt to disrupt the Olympics. As surprising as this is the revelation that there are some 3,500 terrorist agents in the north ready for assignment to a variety of destructive missions.

The youthful woman agent seems to have been strongly impressed by what she has seen of our free and democratic society even during her brief stay here, being aware that the Communist indoctrination she was subjected to by the Pyongyang hierarchy was a total fabrication.

Consequently, she has tearfully confessed the whole story of this most humiliating venture into terrorism, which under no circumstances can be forgiven in any human society.

The two Communist giants, the Soviet Union and China, have just made their respective decisions to join the nations of the world in the Seoul Olympics, which will undoubtedly turn out to be an "arena of peace and reconciliation" for the entire human family, foretelling a thaw in international politics bound by the existing ideological barriers.

Along with this more practical approach being taken by the East and West for world peace at this juncture, even sensible citizens in the Communist zone, may hardly be able to repress a sense of indignation at the most inhuman act of sabotage of the civil passenger plane.

The Pyongyang regime is once again urged to pay close heed to the outcry boiling up in the international community, which denounces this flagrant crime as severely as previous ones in a grave warning against any recurrence of terrorism.

HERALD Says North's Plot Backfires

SK170150 Seoul THE KOREA HERALD in English
17 Jan 88 p 8

[Editorial: "N. Korea's miscalculation"]

[Text] One reason for Communist North Korea's midair destruction of KAL Flight 858 was to scare countries into not participating in the Seoul Olympics, according to the female agent who planted the time bomb. Contrary to their evil designs, a score more than the previous record of 140 countries have announced they will join the Seoul Games.

It is tragically miserable that Pyongyang Communists remain horribly ignorant of the world. Yet more diabolic is their barbarous callousness in killing 115 innocent people aboard a civilian aircraft to not to mention the Rangoon massacre in 1983—out of miscalculations. They have never expressed remorse over their brutalities, each time attempting to shift the blame to someone else.

Now is the time for Pyongyang to see how it is regarded by civilized society. First, the diabolical empire of the North should awaken from its self-deceiving evaluation of realities of the outside world. The northern Communists are said to have perpetrated their heartless act of air terrorism with a second goal in mind to shake social stability in the south during an especially sensitive election campaign. This endeavor, too, proved unattainable as the atrocity only led people here to renew their awareness of national security.

KAL Flight 858 was targeted for horror because its passengers were mostly Korean workers, sacrificial lambs in a doctrinaire Marxist plot to stir antagonism between different economic strata by agitating laborers. It is preposterous for Pyongyang to make workers the prey of such an undertaking while its professed political goal is advocacy of the interests of the working class.

All this reconfirms that Communists do not hesitate to use whatever means available to realize their ends. A palpable testimony to this was the remorseful confession of the distinctly attractive woman agent, who was deceived into terrorism, at a news conference Friday. It was also a telling example that human conscience can triumph over manipulation or cheating. The surest way to persuade the North Korean Communists to abandon their adventurist plots is to make them understand that not only will they not pay off but they can backfire. To this end, we should be resolute lest they make any more miscalculations. The peace-loving people of the world, therefore, should join in condemning Pyongyang's terrorist acts. The midair bombing plot has been exposed so clearly to the world that any attempt to deny it will make things worse for them. Those responsible for the scheme must be punished and an apology must be made.

Otherwise, Pyongyang will find itself in a worsening dilemma. The KAL incident shows anew how foolish it is to have false expectations of North Korea. We must refrain from any acts that might mislead the Pyongyang Communists. Also, they must be made aware that terrorist acts will never go unpaid. With the approach of the Olympics, this job becomes increasingly required of all countries worldwide.

Punitive Diplomatic Action Urged
SK190416 Seoul TONG-A ILBO in Korean
18 Jan 88 p 2

[Editorial: "Diplomatic Sanctions Against the North—The North Must Be Made To Apologize to the International Community and Make Compensation"]

[Text] The thought of the passengers aboard the Korean Air plane, who must have been excited over their returning to the fatherland and to their families and who met their tragic deaths without knowing why, generates indignation in our hearts which we can hardly suppress. What particularly numbs our hearts more than anything else is the fact that it was not such a group of criminals as the Red Army, but the Kim Chong-il force in the North Korean regime—which has a governmental structure worthy of a state, but in name only—that was responsible for this crime. Even after it has been proven to be the culprit who subjected his innocent fellow countrymen to indiscriminate terrorism, with the terrorist it has sent admitting to her crime and with material evidence produced to bear her out, North Korea still insists that all this is a fabrication.

We are ashamed of ourselves for being their fellow countrymen and for obviously being regarded as the same Korean people as those in the North.

We find it urgently necessary to take some kind of physical punitive measure against the present regime in North Korea which has once again committed such an immoral and uncivilized barbarity just a few years after the bombing at Aungmye Mausoleum. We are aware of Israel which punishes terrorists with bloody retaliation without fail. In fact, however, our country finds it difficult to take any military countermeasures as it is scheduled to host the Seoul Olympics in September, the largest ever to be staged, amid the attention of the world's people.

Viewed in this light, it was a wise judgment for our government to impose diplomatic sanctions against the North instead of deciding to take military retaliation. The diplomatic sanctions that the government is now reportedly studying include: having the UN Security Council adopt a resolution of denouncing North Korea, submitting a report to the IPU, having such international institutions as the International Civil Aviation Organization strip North Korea of its membership, and having countries that have softened diplomatic contacts with North Korea withdraw such policies.

Toward this end the government plans to employ all diplomatic means available to ask Austria, Yugoslavia, the Middle East, and Asian countries concerned to take measures to prevent the same things from happening again and to enlist cooperation from such allies as the United States and Japan for the same reason. Also through these countries, the government plans to keep diplomatic pressure on the Soviet Union and Communist China, North Korea's guardians, so as to prevent such terrorist acts from being committed again.

In particular, we think that the Japanese Government should be more active concerning sanctions against North Korea. In fact, it was a forged Japanese passport

that Mayumi carried. Also, the Chochongnyon [Chongnyon — FBIS] is openly and actively operating inside Japan. In addition, it was a kidnapped Japanese woman that trained Mayumi on facts about Japan.

Under such circumstances, if the Japanese Government is lukewarm about taking the necessary sanctions only out of consideration for its citizens detained in the North, it will invite denunciation from the international community as a matter of course.

The Soviet and Communist Chinese Governments, too, should exercise their influence on the North Korean authorities so as to keep them from committing such inhuman and uncivilized terrorist acts again. By no means can they shield indefinitely North Korea—which undertakes indiscriminate terrorist acts and is the subject of denunciation from the people of the world—even after it is admitted that North Korea is one of their allies.

According to foreign news reports, there seems to be a division between the hawks and the doves in North Korea's power structure over the bombing incident of the Korean Air passenger plane. In light of such news reports we should not stop denouncing and taking merciless punitive measures against the unbelievable violence-oriented force in North Korea. We mean to say that we should isolate North Korea in the international arena by making it admit its responsibility for the bombing of the Korean Air passenger plane, apologize for it, and make compensation for it and by making it vow that it will never again commit such a thing under any circumstances.

KYODO Reports on Possible Military Reaction

*OW151051 Tokyo KYODO in English
1019 GMT 15 Jan 88*

[Text] Seoul, Jan. 15 KYODO—South Korea put its troops on full alert Friday following an announcement that north Korea was involved in the bombing of a Korean air (KAL) plane with 115 people on board last November.

National Defense Minister Chong Ho-yong and Culture and Information Minister Yi Ung-hui said south Korea is studying taking retaliatory measures against north Korea.

Neither Chong nor Yi gave details of what form such measures might take.

The agency for national security announced that a man and a woman posing as Japanese father and daughter blew up the KAL plane on the instructions of north Korean President Kim Il-song's son Kim Chong-il.

North Korea has remained silent over the south Korean announcement.

The plane disappeared November 29 over the Andaman Sea near Burma while en route from Baghdad to Seoul.

The agency said the man, who carried a forged Japanese passport bearing the name of Shinichi Hachiya, was actually Kim Sung-il, 70, and the woman in the possession of a bogus passport in the name of Mayumi Hachiya was Kim Hyon-hui, 25.

It said the woman, who was brought to Seoul from Bahrain after the plane disappeared, has confessed to blowing up the plane in an action designed to scare off foreign countries from taking part in the Seoul Olympic games this september.

The man died after swallowing poison while Bahraini investigators were trying to question them for having forged passports.

The agency said the pair, after receiving instructions from Kim Chong-il, secretary of the (north) Korean workers' party, went by car from Budapest, Hungary to Vienna and then flew to Belgrade in Yugoslavia.

It said the two received from a north Korean agent in Belgrade a radio set, a bottle containing liquid explosives and a plastic bomb.

They boarded the KAL flight 858 plane in Baghdad and placed the explosives in a luggage compartment over the seats in the cabin of the plane. They left the plane at Abu Dhabi and flew to Bahrain aboard another plane, the agency said.

Kim Hyon-hui was transferred to Seoul on december 15 and has since been undergoing questioning at agency facilities in Seoul.

Culture and information minister Yi issued a statement demanding that north Korea admit its responsibility for the plane bombing, make a public apology and punish all those responsible for the incident.

"The government issues a severe warning that the north, which committed such a barbarous act of terrorism, cannot escape punishment, including appropriate retaliatory measures," Yi said.

National defense minister Chong called in military chiefs to discuss "all possible forms of retaliation" against north Korea and ordered 600,000 troops to be on full alert, ministry officials said.

The officials quoted chong as saying north Korea could stage a military provocation after Kim's confession.

Kim, daughter of a senior official at the north Korean trade office in angola, told a nationally televised press conference that she and her male companion put a powerful bomb on the kal plane.

"I deserve to die a hundred times for my sin but before I die, I decided to reveal the whole truth of the incident to help make up for the horrible crime I have committed," Kim, looking pale and haggard, said.

The agency for national security planning said Kim was trained by a Japanese woman kidnapped by north Korean agents for two years from April 1981.

It said the Japanese, identified only by the name Une and said to be in her early 30s, gave her lessons on the Japanese language, customs and etiquette in Pyongyang so that she could pose as Japanese.

KCNA Statement Denounces Accusations

*SK160611 Pyongyang KCNA in English
0543 GMT 16 Jan 88*

["KCNA Statement: DPRK Has Nothing To Do With KAL Incident"—KCNA Headline]

[Text] Pyongyang January 16 (KCNA) The south Korean puppets made public Friday the "results of investigation" into the passenger plane incident which took place at the end of November last year, and described a man named Shinichi and a woman named Mayumi who possessed Japanese passports as "operatives" of the north and announced as if the plane exploded in the air because of their work.

The "results of investigation" are a fabrication full of lies, deceptions and contradictions, said the Korean central news agency upon authorization in its statement, sternly declaring once again that the DPRK has nothing to do with the KAL incident.

In the name of the entire Korean people, the statement strongly denounced the treacherous criminal acts of the puppets to shift the responsibility for the incident to us.

It said in part:

Before advertisement, the puppets changed the names of two Japanese passport carriers into those of Koreans and fabricated their address and careers to disguise them as "operatives" from the north.

But in our northern half there are no persons who have such names and careers fabricated and announced by the south Korean puppets.

The puppets clamour about a school career to connect woman named Mayumi with us at any cost. But she was not in the register of any primary school, middle school and university in Pyongyang they claimed she attended and there are no university and training centre where they insisted she received a "special training." In an attempt to make the so-called "results of investigation" sound plausible, the south Korean puppets are even

talking about the name of her father, his age, career and occupation but there is no diplomat with such name and age and no one with a similar career in the DPRK mission in Angola.

Lies and fabrications are always incoherent and do not stand to reason.

It must not go unnoticed that the south Korean puppets belatedly published the "results" of the "investigation" into the KAL "incident" which took place last year after months long "investigation" into the "incident."

In fact, the probe into the jetliner incident was not a matter requiring much time.

If the puppets themselves had frankly admitted the fact that jetliner incident was their own work for the extension of the military administration and has not used it politically, the incident would have been settled already last year.

But, it required many days for the puppet rulers to make a fabrication to cover up their crimes and shift the responsibility for the incident to us.

While the south Korean puppets linked the woman called Mayumi with us and made public her as the criminal of aerial explosion of the passenger plane, they produced no material evidences. This proves that the "results of investigation" are a fabrication.

Remains of the plane and lifesaving boat, emergency food and emergency medicines, etc. advertised by the puppets as floating matters have no plausibility.

If the passenger plane exploded in the sky above the Andaman sea and its remains fell down to the sea, where is the "black box" which is told to stand the temperature of 1,000 degrees c. and shock 1,000 times as much as normal gravitation and operate only in the sea, and how can only abovesaid matters float?

Moreover, the puppets announced that as soon as the passenger plane incident occurred, they dispatched an "on-the-spot investigation team" to make "search operation" by a plane on the sea of Andaman where a Burmese cargo vessel sailed, how can remains which were not seen by them were suddenly found by a cargo ship of other country 5 days after the puppets finished their search?

This insinuates the suspicion that the lifesaving boat, emergency food and medicines, etc. called remains of the plane were those the south Korean puppets carried from Seoul and scattered on the sea.

The Karen tribe in the border area of Burma seized the body of the plane and dead bodies and belongings of passengers and it proposed a negotiation on them. This fact more clearly proves that remains put by the puppets as only evidence are not real things but sham "remains" they themselves scattered.

The puppets claim that "criminals" deplaned, leaving a transistor radio planted with a time bomb and a bottle with liquid explosive as a means of aerial explosion of the plane on its rack. This is a nonsense which does not hold water.

All facts show that the "results of investigation" of the south Korean rulers are a fabrication for the anti-DPRK smear campaign and the KAL incident is no more than a drama written and staged by the puppets themselves.

Clear is the aim sought by the south Korean rulers in launching the anti-DPRK smear campaign, linking the KAL incident with us from the beginning of the new year without any scientific ground.

It proceeds from their intention to ward off the influence of our republic's new proposal for peace negotiation, much upset by it, and divert elsewhere the people's attention.

They try to use the KAL incident in preventing the influence of our proposal for a north-south joint conference upon south Korea just like they had once used it in the fabricated "victory in the presidential elections" last year.

By timing the publication of "results of investigation" to coincide with our proposal for a north-south joint conference, the south Korean authorities speak for themselves that they have no intention to have dialogue with us and promote reconciliation and unity, but seek only confrontation and aggravation of tensions.

The KAL incident will not be a way out for the puppets on the road of destruction.

We strongly hold that the south Korean provokers, though belated, frankly admit that the KAL incident was a drama stage-managed by themselves, immediately stop hurling abuses and slanders against us and apologize without delay for their reckless acts to impair the international prestige of our republic.

Availing ourselves of this opportunity, we express the expectation that the world's progressive peoples, governments, political parties and organizations of all countries that love justice and peace, and international organizations will pay attention to the criminal purpose of the south Korean authorities' anti-DPRK intrigue concerning the KAL incident and lift up louder voices denouncing it.

DPRK Daily Denounces South's 'Smear Campaign'

*SK170836 Pyongyang KCNA in English
0817 GMT 17 Jan 88*

[Text] Pyongyang January 17 (KCNA)—The South Korean rulers must frankly admit even now, though belated, that the jetliner incident was their own fake-up, apologize for their insidious, reckless attempts to besmirch the external authority of the DPRK through that incident and immediately stop their provocative anti-communist smear campaign which pushes the situation on the Korean peninsula to a higher pitch of strain.

NODONG SINMUN today says this in a signed commentary assailing the South Korean puppets for the "results of investigation" that laid the blame for the plane incident at the door of the DPRK, branding Shinichi and Mayumi, a couple who were carrying Japanese passports, as "agents" of the North and "criminals responsible for the jetliner explosion."

Noting that the South Korean puppets are now vociferously talking about "counter measures and retaliation" against someone in their frantic anti-DPRK smear campaign through an "urgent emergency military affairs meeting" a "statement" and "press statements" with the publication of the results, the commentary says:

The moves of the puppets following the jetliner incident and the clumsily-made "results of investigation" full of contradictions indicate the jet incident as a self-made drama premeditatedly invented by the Chon Tu-hwan-No Tae-u group with an insidious political aim.

The puppets initially reported that they shadowed Shinichi and Mayumi with Japanese passports all along from Vienna via Baghdad to Abu Dhabi because they were on the blacklist. [sentence as received] later, however, they concluded in the "results of investigation" that the explosion was caused by a transistor radio in which a time bomb was installed and by a bottle of incendiary material, left behind them when they alighted.

When it is considered that the South Korean puppets base their politics on intelligence, it is a cock-and-bull story that shadowers and more than 20 "Security Planning Board" agents and crewmen aboard the plane could not discover those objects, not small ones.

Moreover, one cannot but call to attention to the facts that a South Korean agent wearing the mask of a "diplomat" was the first to contact Shinichi and Mayumi when they were arrested in Bahrain and that, later, Shinichi committed suicide and Mayumi alone survived. The poison killing of Shinichi was intended to convince one that those who were carrying Japanese passports were the criminals of the jetliner explosion, and the survival of Mayumi is due to the fact that they

considered from the beginning of this fake-up that she, disguised as an "operative" of the North and a "criminal of the airliner explosion," could be made a scapegoat.

That is why the South Korean puppets "confidently" escorted to Seoul Mayumi who claimed no complicity in the jet incident, even in disregard of the requirements of international law.

Now the Karen tribe in the Burmese border area who reportedly have the hull of the jetliner and remains of those who were on board the plane, proposed a negotiation in this regard. This indicates irrefutably that the airliner did not vanish into the sea and that the South Korean puppets' talk about remains of the plane allegedly discovered while being afloat in the sea was a fiction.

The puppet published the "results of investigation" into the incident after dragging on time, [as received] obviously with the aim of diverting people's attention elsewhere and keeping the clout of the DPRK's patriotic proposal for peace and reunification from being exerted on the people, of justifying the extension of their military rule under the pretext of "threat" by someone, of holding "parliamentary elections" for the immediate transfer of "power" without difficulty and, furthermore, of single-handedly hosting the Olympics at any cost.

The South Korean authorities integrated the publication of the "results of investigation" with the DPRK's proposal for the convocation of a North-South joint conference and kicked up a frenzied anti-DPRK row with a "statement," an "urgent emergency military affairs meeting" and the like. By doing so they openly proclaimed their stand against dialogue, peace and reunification.

It goes without saying that the anti-communist, anti-DPRK smear campaign of the Chon Tu-hwan-No Tae-u group is wirepulled by the U.S. imperialists who are fishing in troubled waters from North-South confrontation and division of the country.

We will never overlook the reckless provocative moves of the South Korean puppets, and the world's peace-loving people and unbiased public opinion will never tolerate them.

ROK: Film Couple Files Suit Against Kim Chong-il

SK010359 Seoul *THE KOREA HERALD* in English
1 Jan 87 p 3

[Text] Film director Sin Sang-ok, who escaped from captivity in north Korea along with his actress wife Choe Un-hui, was reported to have filed a complaint with an Austrian court that Kim Chong-il, heir apparent of north Korean chieftain Kim Il-song ordered his subordinates to kidnap him and his wife.

In an interview conducted in Washington, the vernacular daily TONG-A ILBO reported the movie director lodged the complaint with a court in Vienna last November.

The film couple who defected at the U.S. Embassy in Vienna, Austria on March 13, 1986 are now staying in the United States. They had been held in north Korea for more than eight years after being kidnapped in Hong Kong.

The filmmaker insisted the Pyongyang regime falsely claimed he and his wife voluntarily entered north Korea in an attempt by the regime to recover \$2,230,000 deposited in Sin's name at the Vienna branch of the Bank of America.

Pointing out that Communist north Korea also made an absurd assertion the money was stolen, Shin said he filed the complaint to reveal the Communist regime's crime.

To prove Kim Chong-il's leading role in kidnapping the couple, Sin presented as evidence a tape on which the younger Kim explained why they were abducted to the north and five pictures, one which showed the junior Kim greeting Choe who arrived at Nampo Port in north Korea after several days' voyage with her north Korean abductors.

The national daily reported that on the tape Kim Chong-il said Sin was needed for promoting the north Korean film industry and Choe had to be taken to the north first for creating an atmosphere in which Sin would come later.

"After Choe was brought to the north, I (Kim Chong-il) ordered agents to abduct Sin," said the tape, according to the daily.

Despite risk to his life, Sin said, he recorded Kim's explanation with a small cassette tape recorder on Oct. 19, 1983 when he and Choe had a formal interview with Kim in an annex of the head office of the North Korean Worker's (Communist) Party in Pyongyang.

Sin maintained he made the recording to later reveal the fact that he and his wife were kidnapped.

**ROK Olympic Committee Chairman Welcomes
GDR, Hungary**

*SK220746 Seoul YONHAP in English
0716 GMT 22 Dec 87*

[Text] Seoul, Dec. 22 (YONHAP)—The president of the south Korean olympic committee (KOC) Tuesday welcomed the official announcement by Hungary and East Germany that they will attend the 1988 Seoul summer olympics.

Kim Chong-ha, KOC president, said in a comment that he heartily welcomed the announcement although the two countries have strongly hinted at their intention to attend several times before.

Kim said he was confident that all 167 member countries of the International Olympic Committee will attend the Seoul olympic games.

With its announcement Monday, Hungary became the first country among the east bloc to announce that it will send a team to the 1988 Seoul Olympics. East Germany followed Hungary later on Monday in announcing that it too will attend.

The KOC president said the south Korean Olympic committee will make all possible efforts so that athletes from those countries will be able to display their best skills during the games.

He said that Tamas Ajan, Hungarian general-secretary of the international weightlifting federation, hinted at Hungary's intention to participate in the Seoul games when he visited here for the 1987 world cup gala weightlifting championships earlier this month.

The October visit to Korea by an East German sports mission, headed by Horst Roeder, vice president of the East German sports and gymnastics union, was also an indication that East Germany would send a team to Seoul for the Olympics next year, he added.

**ROK Dailies Comment on Soviet Participation in
Olympics**

'Forum of East-West Harmony'

*SK130907 Seoul CHUNGANG ILBO in Korean
12 Jan 88 p 2*

[Editorial: "The Soviet Union's Decision to Attend the Olympic Games"]

[Text] Indeed, the Olympiad has once again become a forum of East-West harmony for the first time in 12 years. A new gleam of hope is expected to be shed on our relations with northern countries.

On the night of 11 January, the Soviet Government officially announced that it would send its sports team, numbering 520, to the Seoul Olympic Games, putting an end to misgivings about a possible crippled Olympics—a protracted issue of controversy.

The announcement of participation in the games by Red China and 10-odd other countries is merely a matter of time.

As a result, the Seoul Olympics will be, nominally and substantially, a grand festival of 5 billion people in which the number of entries will far exceed the 140 countries that attended the Los Angeles Olympics in 1984, which was largest in the history of the Olympiad.

However, the significance of the 1988 games is not found only in the large number of entries.

Above all, the 1988 Olympics are of the greatest significance in that they have reverted to a pure sports festival for mankind in accord with the spirit of the modern Olympics.

We vividly remember that the United States, Japan, European countries, and other Western countries boycotted the 1980 Moscow Olympics to protest the Soviet invasion of Afghanistan and that the Soviet Union and other East European countries boycotted the 1984 Los Angeles games in retaliation, claiming that sufficient security was not guaranteed. We genuinely welcome the decision of the Soviet Government because its decision in the 1988 games serves as an opportunity to confirm the self-awakening of mankind to the fact that the Olympics can no longer be prey to political affairs.

Next, the 1988 Olympics are expected to decisively contribute to creating an atmosphere of new detente in East-West relations in which conflict and confrontation have continued.

At their summit talks late year, the United States and the Soviet Union signed the treaty on abolishing INF. Also, the Afghanistan problem, which was the cause of the crippled Olympics, is likely to be solved as a result of the announcement of a plan to withdraw Soviet troops. It is also expected that the 1988 Olympics will, above all, provide not a slender hint at easing tension around the Korean peninsula and affirmatively contribute to Korea's northward diplomacy as the situation evolves.

Third, the Korean people, from the standpoint of host, should renew their resolve to successfully hold this historic Olympiad whatever difficulties they may face.

With only 8 months remaining until the games begin they should find and remedy defects and map out measures to smoothly conduct the games and other long-range measures to counter whatever side effects may arise. They should display the consciousness of

mature citizens as hosts and pay particular attention to the safety of the participating athletes and transportation, boarding, and communication facilities.

Now the fanfare for the 1988 Olympics has actually blossomed. Attempts to take issue with the Olympics under a political pretext as done by North Korea does not work anywhere. Even the Soviet Union, the suzerain state of the communist bloc, coolly stated that "North Korea should make a decision on its own."

We urge North Korea once again not to become an orphan in the world by further making poor excuses, but to unconditionally attend the Seoul Olympics. This is the best way for North Korea to survive as a member of the international community.

'Atmosphere of Harmonious Politics'

*SK140314 Seoul TONG-A ILBO in Korean
12 Jan 88 p 2*

[Editorial: "An Atmosphere of Harmonious Politics—It Is Time for the Ruling and Opposition Parties To Establish a New Relationship"]

[Text] An atmosphere of harmonious politics seems to be filling every corner of the country. Private talks between President Chon Tu-hwan and the three Kims, the leaders of the opposition parties, which have been urgently called for—to the point of those calling for the talks becoming hoarse—seem to be in order for next week. Also, talks between President-elect No Tae-u and President of the RDP Kim Yong-sam, the first such meeting since the end of the recent presidential election, are scheduled for 13 January.

In addition, the DJP reportedly has set in motion the Committee for the Promotion of Democracy and National Reconciliation, a committee composed of middle-of-the-roaders from all walks of life, with a view toward probing ways to achieve democratic development and national reconciliation.

It is true that talks and an atmosphere of reconciliation as such are needed far more urgently than anything else in order to alleviate and coordinate the strife and feuds that surfaced between regions and sectors of our society during the recent presidential election so that the Seoul Olympics in 1988 can be hosted with united strength.

A series of such efforts toward national reconciliation, efforts aimed at putting back together the riven minds and at opening a new era of democracy will certainly thaw the minds of the people who are watching the imminent inauguration of the new government with expectation and hope.

Timed to coincide with this, the Soviet Union announced its decision to participate in the 1988 Olympics in Seoul—a significant development that will, after a period of 12 years, return the Olympics to their normal

self, namely a festival of East-West detente and world peace. But our people still remember vividly the barbarity of the Soviets who shot down an unarmed civilian Korean Air passenger plane. However, they accept the participation of the Soviet Union in the Olympics, with reluctance, out of consideration for detente between East and West.

Reconciliation [hwahap] is not a compound word of conciliation [hwahae] and agreement [hapui]. The dictionary defines the word as meaning a process of getting in unison and then uniting. In other words, it means a process of getting two separated sides back together by creating agreement between them and of making them exist in harmony.

This being the case, the first step toward reconciliation should be such things as making countries or people who are hostile to each other or not on friendly terms sit face to face to understand each other. However, harmonious politics in the true sense of the word does not mean that people can achieve harmonious politics simply by meeting with each other with a smile on their faces and then going back to their old position, all in order to show a fake reconciliation. There must be something more substantive in the effort toward reconciliation than the visible contacts arranged to show to people.

It is true that to date relations between the rival parties in our country have been no less cold and estranged than those between the East and West. Those in power, while claiming that they are ready to talk even with Kim Il-song, have bent over backward to avoid dialogue with opposition politicians. And the opposition politicians in turn have regarded those in power as targets to overthrow and nothing else, tending to rule them out as parties for negotiations.

Now that the new republic is in sight, it is high time for the rival parties to establish a new form of relations to adapt themselves to the new era. The rival parties should try to coexist by competing with each other based on policies and reasonable dialogue, not through confrontation, coercion, and emotion-ridden tit for tat.

Instead of trying to tame the opposition parties so as to make them palatable to the ruling party or scheming to split and subvert them from within by political maneuverings as in the past, those in power should do such things, before anything else, as leaving them to grow on their own to become sound political parties, because we believe that the shortcut to democratic development is for the political parties to democratize their party structures and have a democratic disposition that permits competition.

Significance of East Bloc in Olympics Seen
SK240014 Seoul THE KOREA TIMES in English
24 Dec 87 p 8

[Editorial: "East Bloc for '88 Olympics"]

[Text] Now that the nation has elected its next president, one of its most immediate concerns is the successful holding of the 1988 Seoul Olympic Games now only nine months away.

While the Dec. 16 presidential election has been generally recognized internationally as a great step forward in Korea's democratic political development, it is welcome news to hear that Hungary and East Germany have become the first Communist countries to officially announce that they are going to participate in the Seoul Summer Olympics.

The two East European countries' lead is expected to be followed by all other Communist states except North Korea. It is to be noted that East Germany is one of the world's sports superpowers, following the Soviet Union and the United States.

According to wire reports, Poland is also poised to make an official announcement of participation in the Seoul sports event, while China is slated to do so on Jan. 7 next year. Beijing has reportedly notified Pyongyang of its stand on the Seoul Olympics, in compliance with IOC decisions. At the same time it has called upon the North Korean authorities to discontinue their attempt to abuse the Olympiad for political purposes.

However, the North Korean regime remains bent on obstructing the Seoul Olympics, sticking to its preposterous demand for cohosting of the Games so that it has an excuse to boycott them when the demand is rejected.

Yet, we, as compatriots, naturally want North Korea's participation in the historic Olympics. The North Koreans are advised to partake of the sports festival, indeed one of the rarest events ever to take place on the Korean peninsula.

Our sustained effort is needed to create an international climate strengthening pressure on North Korea to make the wise choice and participate in the Games so that it may not really be isolated internationally.

Pyongyang Urged To Join 'Boycott-Free' Olympics
SK230059 Seoul THE KOREA HERALD in English
23 Dec 87 p 4

[Editorial: "Boycott-free Olympics"]

[Text] Hungary and East Germany officially announced their decision Monday to participate in the 1988 Seoul Olympics—the first East bloc nations to do so. Thus they

set a magnificent example of honoring the true spirit of the Olympic charter, which prescribes the Olympic games to be genuine sport events free from politics, religion, creed or color.

Other East bloc nations certainly will follow suit for such an honorable cause, making the Seoul Olympics ever more certain to be boycott-free. This is very heartening, especially in view of the recent Olympic games marred by political boycotts. The Summer Olympics in Los Angeles in 1984 were boycotted by the Soviet Union and all East bloc nations but Romania, and the Moscow Games in 1980 by the United States and 65 other nations.

By all indications, the Seoul Games will be different. Surely, one good start has been signalled by East Germany and Hungary, which notified the International Olympic Committee of their acceptance of the IOC invitation. The large size of the Olympic teams the two countries intend to dispatch clearly displays their enormous zeal and in particular, their decisions reflect the immense interest of their people, not merely of sport officials, in the Olympics here.

The Hungarian Olympic Committee has, according to reports from Budapest, formed a team of 210 active sport athletes and 90 officials to vie in the Seoul contest next September. East Germany, being one of the most powerful sports countries in the world, is looked upon to do well in the Games, especially in track, field and swimming. Reports out of East Germany are especially reassuring. Participation in the Seoul Games is rightly regarded there as a contribution to "the unity of the Olympic movement, to the understanding between peoples and to the preservation of world peace."

Already, 115 of the 167 IOC member nations have officially joined the ranks of promoting the high ideals of the Olympic movement. Participation by all the remaining countries appears assured in view of their entries in the preliminary matches as well as intensive studies on track and weather conditions here for their athletes.

That being the case, North Korea appears at the moment to remain the only one that is intent on taking a course of self-isolation from the all participating world festival. Pyongyang has turned down many unprecedentedly magnanimous, flexible proposals offered by the IOC and Seoul to induce its participation. Each time it has come up with unrealistic and preposterous excuses.

Pyongyang's persistent and desperate effort for hindrance notwithstanding, the Seoul Games will surely be a success, showing the unity of the human race after 12 years of divisions. The only practical option for North Korea is to accept our invitation to the Olympiad before it is too late if it is genuinely interested in a festival for peace and unity. Opting otherwise will prove an irrecoverable loss to Pyongyang.

ROK Challenges North To Choose on Olympic Decision

SK120003 Seoul THE KOREA TIMES in English
12 Jan 88 p 8

[Editorial: "Olympics and North Korea"]

[Text] Serious changes in terms of democratic reform and economic liberalization are taking place in the global village especially in the Communist bloc section. In parallel, the main currents in the international scene are headed for detente between East and West.

Only the Communist state of North Korea is running against the tide by sticking to its jingoistic policies and closing its doors tightly. Once again the Pyongyang regime is called to abandon its anachronistic posture and join in the world movement.

The changes in the international situation surrounding the Korean peninsula are far reaching. If North Korea is obstinate as far as its intransigent policies are concerned, it will be left out of the world community like a hapless orphan.

North Korea's hostile and uncompromising attitude makes it hard for it to find a place in the current world environment. Any armed provocation against the Republic of Korea will bring the condemnation of both the free and Communist bloc nations.

As the forthcoming Seoul Olympics in September moves ever nearer, the pendulum is swinging in favor of Seoul. Almost all of the world states including the Communist giants, the Soviet Union and China are to attend the international sports festival, expecting that the event will go off without a hitch.

The Pyongyang regime's tactics to obstruct the Seoul Olympics have now seemingly reached their limit and further threats to the Seoul government backed up by provocation will be regarded internationally as acts of blackmail once thousands of world athletes assemble in the capital of Seoul.

North Korea attempted to prevent the International Olympics Committee from awarding the games to Seoul. Then it led a boycott movement. Having failed with its schemes, it then came up with a fantastic proposal for cohosting the Games.

From both logical and technical viewpoints, the Pyongyang proposal is not worth consideration in respect of both the IOC charter and the spirit of Olympics. But the IOC and the host city of Seoul has pursued a policy of appeasement in an attempt to stage the event without any difficulty.

Now time is running out. Pyongyang is obliged to choose to accept either the IOC counterproposal for sharing of some of the Games events or participation in the Seoul

Games, giving up its proposed cohosting rights. Whether it boycotts the Games is not a matter of great concern to us, as long as the event takes place as scheduled.

North's Decision Seen Betrayal of Olympic Ideals, Beliefs

SK130055 Seoul THE KOREA TIMES in English
13 Jan 88 p 8

[Editorial: "Soviet Participation"]

[Text] We receive two reports from abroad with a mixture of delight and distress: the Soviet Union has decided to join the Seoul Olympics in September and North Korea won't attend the Games.

The pleasant news comes from the Communist superpower, with which Seoul has no diplomatic relations, and vice versa, while the other report is from a country on the same Korean peninsula, a land in which our compatriots reside.

Now the entire global village is excited at holding the largest-ever sports festival with the participation of some 160 countries. The Seoul Games is expected to provide the first Olympic confrontation between the United States, and the Soviet Union since the Montreal Summer Olympics in 1976.

It is certain that not only the Soviet Union but also China and the whole Communist bloc have readied themselves for the Seoul Games to make it the first boycott-free sports event since Munich in 1972. This development dispels for good the spectre of a Soviet-led boycott of the Games in support of North Korea.

There is no denying that the Seoul Olympics will set the stage for the promotion of friendship and harmony in a spirit of fair play, transcending ideology, nationality and religion. Even Tass has attributed the Soviet decision to the recognition of the importance of the Olympic ideal, the strengthening of the unity of the IOC movement, and the Games' role in fostering peace and international understanding.

The United States, welcoming the Soviet decision, has echoed the sentiment, saying that it looks forward to the meeting of the entire world community of athletes in Seoul, anticipating world-class competition in all the Games events. North Korea is the only exception to the world jubilation.

Betraying the ideals and beliefs of the world's nations, why is the Communist regime in North Korea going to stay away from the mammoth global assembly and choose the way of isolation? Pyongyang reasons that the Seoul-hosted Olympics intensify tension on the Korean peninsula and perpetuate the division of the country.

It is beyond question that to the contrary the sports festival is a perfect opportunity for easing tension and creating mutual south-north trust that will work for the eventual reunification of the country.

We can well imagine that should the Olympic Games have been awarded to Nagoya in Japan, for which Pyongyang voted at the IOC, it would have participated. There is no room for doubt that the Pyongyang boycott was motivated by jealousy of the prospering south.

The Pyongyang ruling echelon does not deserve sympathy from anyone. But we feel pity for our brethren in the Communist-ruled state, deprived of fundamental human rights not to speak of participation in the forthcoming festive world event.

The doors for entry to the Games are still open even after the January 17 deadline, so we like to entertain the hope that Pyongyang will revise its treacherous policy, considering that its threats to the Seoul Olympics can no longer have any effect.

Olympics To Mark 'Turning Point' on Peninsula

SK131106 Seoul YONHAP in English
1024 GMT 13 Jan 88

[By Im Sun-pin]

[Text] Seoul, Jan. 13 (YONHAP)—The Soviet Union's decision to attend the Seoul Olympics is likely to lead the way for full east bloc attendance at the games, heightening expectations for a thawing breeze on and around the divided Korean peninsula.

The Soviet decision, driving a wedge into North Korea's persistent ruse to scuttle the Seoul games, is expected to help encourage its communist allies which have not confirmed their participation to accept invitations to the games.

The Soviet Union announced Monday that it will attend the summer games, removing fears of another Olympic boycott. On Dec. 21, Hungary and East Germany became the first east bloc countries to announce their participation in the Olympics. Bulgaria, Romania and Poland followed suit.

With the participation of the east bloc countries with which Seoul has no diplomatic ties, the 1988 Olympiad will mark the first boycott-free Olympics in 16 years and the first historic venue of east-west reconciliation in 12 years. The 1976 Montreal games were marred by a boycott by a group of African countries, citing the apartheid policy of South Africa.

The United States and its western allies stayed away from the Moscow Olympics in 1980 to protest the Soviet invasion of Afghanistan, and in retaliation the Soviet Union led an east bloc boycott of the 1984 Los Angeles Olympic games.

It is also believed that China, which sent a contingent to the 1986 Seoul Asian games, will take part in the Olympics, slated for Sept. 17-Oct. 2.

The entry of the Soviets, China and other communist nations into the games is expected to help maintain peace and stability on the Korean peninsula and pave the way for Seoul to improve relations with those countries.

The Korean peninsula is divided into two halves, a democratic nation in the south and a communist regime in the north. The two Koreas confront each other with massive armies along the demilitarized zone separating the south and north.

Meanwhile, a South Korean foreign ministry official, who declined to be named, privately said that the successful staging of the games in a global festive atmosphere might mark a turning point for the entry of the two Koreas into the United Nations this year. He did not rule out the simultaneous entry of the two Koreas or South Korea's sole entry into the United Nations in case North Korea raises an objection.

The official said, the Soviet decision to attend the Seoul Olympics has political significance. First of all, it is meaningful in that Moscow's understanding of South Korea is changing, and it will cast a cloud over Pyongyang's move to thwart the games as well as its tug of war diplomacy with Moscow and Beijing.

North Korea will face isolation from the world community if it refuses to take part in the games, he said.

Five days before the Jan. 17 deadline for accepting invitations to the games, North Korea announced that it would not participate in the Olympics to be hosted solely by South Korea.

The summer games were awarded exclusively to Seoul, but Pyongyang has demanded it co-host the Olympics, threatening a communist bloc boycott of the games.

On July 15, 1987, the IOC offered the north five sports—women's volleyball, the men's 100-kilometer cycling, table tennis, archery and some preliminary soccer games.

But North Korea has not responded to the proposal, seeking instead another round of talks with the IOC and South Korea.

South Korea began a move to improve relations with east bloc countries in 1973 when then President Park Chong-hui announced South Korea's willingness to join the United Nations with North Korea and an open-door policy toward communist nations. However, little progress has been made toward these goals because of North Korea which has diplomatic ties with the communist nations.

Seoul is making efforts so that the Olympics will contribute to expanded sports, culture and science exchanges with the communist bloc.

Political observers here said a diplomatic task facing South Korea is to bring the closed, regimented north Korean society into open international forums, by taking advantage of South Korea's overwhelming economic power and its improved international position.

They added that South Korea should also obtain a new foothold in its look-north policy by improving relations with the two neighboring communist powers—the Soviet Union and China—on a long-term basis.

YONHAP Reports Number of Journalists for Olympics

*SK240110 Seoul YONHAP in English
0053 GMT 24 Dec 87*

[Text] Seoul, Dec. 24 (YONHAP)—Nearly 12,000 journalists from print and electronic media around the world will cover the 1988 Seoul summer Olympics, the Seoul Olympic organizing committee said Wednesday.

The SLOOC said the 11,726 journalists to be accredited at the Seoul Olympics include 4,616 from the print media and 7,110 from the electronic media.

The final determination of the size of the news media corps for the Seoul games was based on the press quota of each national Olympic committee, which was set by the International Olympic Committee, the SLOOC said.

North Korea, as stipulated by the IOC regulations, will also be able to send 50 reporters and 10 photojournalists to cover the games if it participates in the Seoul Olympics.

As for the number of print media journalists, south Korea will have the largest number (460), followed by the United States (257), Japan (255) and West Germany (215). China will be allocated a total of 89 print media personnel, including nine photographers.

The European Broadcasting Union (ebu) will have the largest electronic media corps (1,500), followed by the United States (1,150) and Japan (250).

The Seoul Olympic games are scheduled to be held between Sept. 17-Oct. 2.

ROK Daily on Entry of Syria, Hosting Successful Olympics

*SK190111 Seoul THE KOREA HERALD in English
19 Jan 88 p 8*

[Editorial: "Record Olympic Entries"]

[Text] Syria's acceptance of the International Olympic Committee invitation to participate in the Seoul Olympics, making it the final country to do so by the deadline, boosted the number of countries promising to come to Seoul to a record 161. Such extensive participation will virtually assure the exceptional success of the 1988 Summer Olympics.

Syria was preceded immediately in acceptance by Madagascar and Tanzania. The deadline for giving official notice of participation was early yesterday Korean time. This left only six nations (Cuba, Albania, Nicaragua, Ethiopia, the Seychelles and north Korea) in the group staying out for primarily political reasons.

The Seoul affair will be the first Summer Olympics in 12 years with all but a few countries, from both the West and East bloc, taking part to make it a meaningful global pageantry of sports little marred by politics.

When many Communist nations, including China, Vietnam, the Soviet Union and seven other East European states, announced last week that they had formally accepted invitations to send teams to Seoul, the die was cast decidedly in favor of the Seoul Games although such a development might well have been expected.

As Moscow responded to the invitation it scarcely gave a nod to Pyongyang's battle of nerves with Seoul. North Korea's aborted campaign for a boycott of the Olympics left it the most frustrated lone loser. The north Koreans have been on a losing cause since they first tried the boycott on.

The Seoul Games will far exceed the previous record attendance of 140 countries at the 1984 Los Angeles Games. Moreover, the pragmatic decision of Moscow and its many allies cleared the way for pitting Soviet and U.S. athletes against each other for the first time since the 1976 Olympics in Montreal.

The Seoul Games may register as the turning-point in the revival of the modern international Olympic movement, following a Soviet-led boycott of the Los Angeles Games and a similar U.S. boycott of the 1980 Moscow Games. Toward this end of a boycott-free and unpoliticized Olympics, the International Olympic Committee under the leadership of Juan Antonio Samaranch and the host Seoul Olympics Organizing Committee have conducted an energetic and effective drive.

It is unfortunate that north Korea still refused to accept Seoul's generous offer and invitation, sticking to its insistence on "co-hosting" the Olympics. Now the stage has been set. The remaining task for us is to prepare to impeccably conduct the Seoul Games with a degree of safety, efficiency and hospitality commensurate with Korea's rising international stature.

KCNA Reports 12 Jan 'Clarifying' Statement
SK120445 Pyongyang KCNA in English
0431 GMT 12 Jan 88

[Text] Pyongyang January 12 (KCNA)—The Olympic Committee of the Democratic People's Republic of Korea issued a statement on January 12 clarifying its position with the approach of January 17, the deadline of application for the 24th Olympic games.

The statement says:

The Olympic committee of the Democratic People's Republic of Korea clarifies its position as follows with the approach of January 17, the deadline of application for the 24th Olympic games:

The Olympic committee of the Democratic People's Republic of Korea made a proposal of hosting the Olympics jointly by the North and the South and endeavoured in every sincere way for its implementation with a view to holding the 24th Olympics in conformity not only to the noble idea of the Olympic movement but also to our national reunification cause and the interests of world peace.

The International Olympic Committee also recognized the validity of our co-hosting proposal and on this basis arranged the Lausanne joint meeting between the representatives of the Olympic committees of the North and the South of Korea and the representative of the International Olympic Committee and strove hard for almost 3 years to settle this problem.

However, owing to the obstinate rejection on the part of the South Korean side, the Lausanne joint meeting has been abolished bringing no expected result.

Under such situation, we reached a conclusion on October 23, 1987 that the hope for solving the 24th Olympic North-South co-hosting problem is invisible so long as the military fascist dictator regime prevails in South Korea, and made clear our position to wait and see the result of the "presidential elections" in South Korea.

Such position of the Olympic committee of the Democratic People's Republic of Korea stems from the consideration that the problem of the 24th Olympic games will be successfully settled either by effecting the North-South co-hosting or forming a single team if the democratic forces come to power in South Korea.

However, the subsequent situation has resulted in continuation of the military rule in South Korea.

As a result, no agreement on the problem of the Olympic co-hosting has been made yet and the attempts at single hosting of the Olympiad on the part of the South Korean military rulers are growing more serious.

We will not participate in the Olympic games to be singly hosted by South Korea and, under these circumstances there is no possibility for us to present application for the participation in the 24th Olympic games.

But we will continue to make every effort in the future, too, to realize the Olympic co-hosting out of desire of national reconciliation and unity.

The great leader Comrade Kim Il-song proposed in his new year address this year to hold a North-South joint conference to discuss and solve without delay some immediate problems including the North-South co-hosting of the 24th Olympiad.

We can reconsider our stand on the Olympic games if an agreement on the Olympic co-hosting question is made in the future through the convocation of a North-South joint conference.

The Olympic committee of the Democratic People's Republic of Korea expresses its hope that the International Olympic Committee, the national Olympic committee of each country, international sports organizations and the people of the whole world fully understand our position which proceeded from the grave sense of responsibility related to the destiny of our nation who undergo the pains of national division.

We will as in the past so in the future always remain faithful to the lofty ideas and principles of the Olympics and actively strive on for the sound development of the Olympic movement in close contact with the International Olympic Committee.

POLITICAL

Talks for No, DJP Outlined

SK200128 Seoul THE KOREA TIMES in English
20 Dec 87 p 2

["News in Review" column by Political Editor Kim Myong-sik: "DJP Faces Task of Changing Color; To Turn Into Civilian Government"]

[Text] While the opposition parties are staggering in the shock of defeat under piling criticism of their erstwhile supporters, the ruling party staff are brisk in preparing for the government transition.

They have little time to be immersed in euphoria as the party should immediately go into projecting for the parliamentary elections, which they plan to hold before the inauguration of the new president.

The Dec. 16 election was a "success" by all accounts, particularly the two million vote margin over the runner-up, but the overall supporting rate of 36.6 percent is hardly reassuring.

To achieve "stability," the number one platform the Democratic Justice Party presented during the campaigns, securing a solid base in the parliament is essential.

But the trend of democratization does not allow the government party to seek to create a parliamentary majority through the manipulation of the system such as the current proportional representation method. It has to be based on nothing but ballots.

Beyond the general elections, the ruling party has to extend the supporting rate to something close to 50 percent over the next five years as there is no guarantee that it can again benefit from an opposition split in 1992.

Kim Yong-sam and Kim Tae-chung may or may not survive the tough internal politics in the opposition world but past history shows that a reunification of the opposition parties is possible, if not probable for the time being.

As for the ruling party, its leaders must have realized the great difficulties in maintaining an unpopular government through the test of the electorate.

They may seek to change the system to a parliamentary government with the support of the people who witnessed for themselves all the excesses, both material and emotional through the just ended direct presidential election.

In whatever system the Democratic Justice Party should earn popular support by demonstrating its capability of satisfying the people's wishes, rather than capitalizing on the electorate's general fear of the consequences of an opposition win.

First of all, the No Tae-u government should detach itself from the unsavory image of the previous administration which was born through a military action in a power vacuum following the assassination of a president who ruled the country for 18 years.

No's own involvement in the creation of the Chun Tu-hwan government will make it hard to sever the conceptual link between the two political entities despite the difference of a popular election and a military putsch.

Yet, No has successfully convinced the people, at least most of the eight million who voted for him, through the campaigns that he is dedicated to lead a genuine civilian rule.

He declared in his campaign speeches that he alone can most successfully put an end to the military rule. Now he has to translate the assurance into action in view of the great popularity of the slogan which was originally the opposition's.

To carry it out, the ruling party has to change its color first. Since he took over the party leadership last June, he replaced top party posts with civilians but ex-military officers still maintain a strong influence in the ruling party.

The next thing is to prove the non-existence of any "veto group" in the military that may meddle in government affairs whether for the genuine concern over the security of the nation or for their own private interests.

No's campaign pledges included discontinuation of special favors for military retirees in the appointment of civil service positions. Assignment of retired generals to state-run enterprises, has been widely practiced since the 1961 coup d'etat by Park Chung-hui.

The most important of all, however, will be his task of preparing for the turnover of the party leadership to a civilian politician, ensuring the democratic process of free competition in doing so.

"The next presidential candidate of the party will be chosen by vote from among 'pure politicians' of proven high caliber," No said during his campaigns.

If free competition still is too idealistic in view of the present stage of political progress in Korea, he will at least have to try to groom a successor from persons of non-military background.

To establish a "civilian control" in the party itself, it has to free itself from the influence of various government organizations, or, to be more precise, refrain from seeking their help in its operations.

No's eight-point "second declaration" issued a few days before the election, included the reduction of the role of military and civilian intelligence agencies to their original anti-communist affairs.

Despite their enormously important services for the protection of national security, these intelligence organizations have long been recognized as the apparatuses for the maintenance of power.

All these tasks are, of course, closely related to No's promised goal of removing authoritarian color from the government. It requires his personal efforts more than anything else.

After the fall of the Syngman Rhee government in a student revolution, the name of the presidential mansion was changed from Kyongmudae to Chongwadae for an obvious reason. Over the next 27 years, this new name has accumulated enough of public awe rather than love.

The name will not have to be changed again if genuine efforts are to be made to make the center of power get closer to the hearts of the people. There can be many other ways to do so along with opening the street in front of it to public traffic.

No Tae-u To Reshuffle DJP, Cabinet Lineup
SK230707 Seoul THE KOREA TIMES in English
23 Dec 87 p 2

[Text] President-elect No Tae-u will conduct a reshuffle of his Democratic Justice Party post-holders and draw the lineup for the new cabinet early next month for the transition of government.

All but one of the members of the Central Executive Council, the DJP's top decision-making body, tendered resignations yesterday to give No free hand in the shakeup. The only exception is Kwon Ik-hyun, who is now on a visit to Japan.

A senior official said the party positions would be reshuffled early next month to "refresh the party climate following the presidential election and prepare for parliamentary elections."

Around that time, he said, the ruling party would fix the list of the new cabinet which will take office with the inauguration of the No Tae-u government on Feb. 25, next year.

Before the resignation en masse, the 29-member council decided to set up a five-man subcommittee which will study ways of promoting intrapartisan "democratization" and reforms in party administration.

For internal democratization, the party caucus will function as a decision-making apparatus rather than as an advisory body.

The party is also considering electing key party positions by vote.

First of all, the floor leader will be singled out by member lawmakers, officials said. Only the president is now selected by the Central Council, a 6,000-member supreme body.

The Central Executive Council postponed a plan to create the chairmanship of the party, the post which had been held by No before his promotion to the president last July succeeding President Chon Tu-hwan.

It delayed a Central Council meeting, originally scheduled for next Tuesday to agree on the revival of the position, spokesman Yi Min-sop said. "The date for a meeting has yet to be set."

The Central Executive Council turned down the plan, which was mapped out by the secretariat. It insisted on the overall review of the party administration and appointment systems.

The chairman, if appointed following the amendment to the party constitution this time, was due to take charge of all party affairs, helping DJP president No no longer care for them and only contrive ideas for state administration.

No told the council meeting to hammer out measures to follow up his package of democratic progress on June 29 and Dec. 12 and to accomplish "national reconciliation."

"The DJP legislators are urged to expand contacts with opposition counterparts, dissidents, and religious leaders to gather their opinion and advice, and take them into consideration in state administration," he said.

He reaffirmed that he hoped the parliamentary elections would be held early February before his inauguration.

The council members resolved in a statement to "spur democratic reforms in all administrative procedures ... to adopt the opinion of people who voted for opposition contenders and to democratize party operations."

No Tae-u To Recruit Opposition Members for Cabinet

SK190117 Seoul THE KOREA TIMES in English
19 Jan 88 p 1

[Excerpt] President-elect No Tae-u reaffirmed yesterday that he would recruit opposition figures as ministers for his administration to be inaugurated on Feb. 25.

In a press meeting at his new office in Samchong-dong in a quiet residential section in central Seoul, close to the presidential mansion of Chongwadae, he said, "I will propose that opposition leaders recommend competent persons for the Cabinet portfolios."

He declined to elaborate what posts would be given to those from the opposition.

As to the timing of the parliamentary election, No eased his party's policy of holding it within the tenure of President Chon Tu-hwan when he said there would be no way but putting it off should the opposition refuse to make a compromise.

He said, "I am convinced that interparty negotiations on a new Parliamentary Elections Law will be finished in one or two hours of talks as each side is well versed of the other's draft."

"Yet, if it is impossible to rewrite the law during the current parliamentary session due to the opposition's objection," the ruling party leader went on, "We cannot help holding the election later."

He disclosed that the Democratic Justice Party would nominate parliamentary candidates upon the amendment to the election law.

It was an indication that the DJP may not strongly adhere to its controversial constituency formula.

The DJP has long favored the February election under a unique small constituency system, mixed with a medium-sized one, whereby one to four lawmakers are elected from each district in accordance with its population.

Analysis of Presidential Election Law

41070020 Seoul CHUNGANG ILBO in Korean
14 Dec 87 p 5

[Article by Professor Han Sung-chu of Korea University: "The Presidential Election Law Leaves Much Room for Mending"]

[Text] The forthcoming direct presidential election is at once what the majority of our people want and an essential process for achieving democracy in our country. Nevertheless, as known too well, it is fraught with many problems.

The CHUNGANG ILBO 7 December editorial, among others, enumerates these problems: the distribution of money to voters, interference by government authorities, character assassination, disinformation, the mobilization of audiences for political rallies, and the rampant use of violence.

That is not all. Nowadays many people at home and abroad have profound apprehensions about the aftermath of the coming election. The first and foremost fear concerns the question: whoever emerges victorious, will the other contenders concede victory to him? Some of the candidates and some groups, burning the bridges behind them, are openly declaring that they will not concede victory to any successful candidate they do not want.

It is necessary as well as natural that lamenting this state of affairs, we should be appealing to the persons directly concerned, and the public as well, to keep calm and behave reasonably and rationally, exercising common sense.

Nevertheless, it is a fact that at present, the atmosphere is so charged with fever and emotion that no good result which appeals to reason could hardly be expected.

Now everyone's attention is focused on the question of who will be the winner in the election to be held in a few days and what will be the aftermath of this election. However, the situation being what it is, those who are concerned about the current state of affairs should analyze what has caused this state of affairs and try to devise ways to shield future presidential elections as much as possible from these kinds of disorderly, wasteful, irrational, and divisive practices.

This is necessary because our people are afflicted with group amnesia—although apprehensive about a national crisis, as soon as the crisis is over, all of us will forget about it until we are confronted with the next one. It is quite obvious that whoever emerges victorious in the election will not give much thought to the system and conditions under which he has been elected.

We may attribute the series of problems involving the forthcoming election to our political-cultural standards characterized by lack of experience in democratic government, or the factious inclination and lack of tolerance which are our national traits, or the traditional regionalism. Or we may find the reason in the peculiarity of the present circumstances in which the candidates in this election, because of their regional and personal backgrounds, are bound to stir division and antagonism.

If it is impossible to rectify our social structure, political culture, and our national traits in a day or two, and if the so-called peculiarity is something that cannot neither be anticipated nor adjusted, then it follows that what we can do effectively to resolve the problems is to improve the laws and system which influence these factors.

Well, the legal system related to presidential elections, including the constitution we have recently adopted through a referendum, tends to aggravate factionalism, division, and the concentration of power rather than abating them. True, the new constitution, though hurriedly drafted with time-limit constraints, is, in reality, in accord with the will of the people as far as its general direction and purpose are concerned. However, when it comes to actual application, the new constitution, far from being the best we could come up with for the good of the people, is a product of the negotiations based on the interests and political convenience of the two major parties, more specifically, the three political rivals, namely the ruling party and the two Kims.

Because there was not much time and because there was no alternative proposal, the writer himself supported the adoption of the new constitution, but it was possible to anticipate the various problems that would arise from the election system even before the election campaigns got under way.

For instance, as pointed out by so many people, a simple majority system in our country where there is no bipartisan system will result in a flood of candidates and the aggravation of regional schism. A candidate confident of polling a certain number of votes in a given region or from given social strata will naturally welcome a flood of candidates because the greater the number of contenders, the more advantageous it will be.

In such a case, each candidate will direct his efforts at winning the support of the region and strata which he is sure to receive, instead of trying to win the support of the greatest number of voters throughout the country. This will provide ammunition for regional antagonism and class hostility. Moreover, a president who was elected by a minority vote will be unable to enjoy legitimacy.

To overcome these shortcomings, some countries, France among them, have a provision which requires that in case none of the candidates has polled a majority of the total valid votes cast, a run-off election be held between the candidates having the two highest numbers of votes. However, this system often results in having to go through two presidential elections in a row. Therefore, in the case of our country, it will be possible to lower the requirement for a run-off election to 40 percent from one-half.

Another problem involving the new constitution is that it has no provision for a vice president despite the fact that it provides for a presidential form of government. Under a presidential system without a vice president, the problem of succession will arise when the office of the president becomes vacant for some reason. Moreover, the system will give rise to the winner-takes-all atmosphere by leaving no room for compromise in intraparty competition and distribution of power, and thus further result in a flood of candidates.

The following problem has nothing to do with the coming election directly, but if the new constitution is to be maintained as it is, the 5-year tenure for the president and the 4-year tenure of National Assembly members will be the source of controversy because the discrepancy between the tenures of the president and the National Assembly is bound to inject elements of uncertainty and instability into not only the relationship between the two highest organs of the state but also the public's attitude toward the elections.

Besides the constitution, our legal system and political institutions leave much room for improvement. The reason the candidates are squandering money and resorting to irrational means to attract crowds to their campaign speech rallies is that there is no other way to assess or demonstrate their political power. We cannot help but point out that the ban on releasing the result of any objective and scientific public opinion survey on preference for candidates is the major cause of such an anomaly.

Viewed at this juncture, legal and institutional problems may be water over the dam, as it were. This does not mean that as soon as the election is over, work should be started to revise the constitution, but it means that inasmuch as we have so keenly felt, through the current electoral process, the problems our legal system and political institutions pose because of our social structure, our political culture, and our people's propensity, we should continue to examine and study ways to improve them.

When the season for college application and entrance examinations comes, we lament the irrationality of the college entrance examination system and the problems it involves, but as soon as the examinations are over, we completely forget about them until the next season. In the case of a presidential election, we should not forget about the problems it involves, as soon as this important national event is over, but pool the wisdom of the whole nation to consider ways to prevent the recurrence of the kind of uneasiness and uncertainty we feel now.

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ROK: Younger DJP Officials Voicing Liberal Policies

*SK140131 Seoul THE KOREA TIMES in English
14 Jan 88 p 2*

[Text] Whether awakened by a popular call for democracy or buoyed by the victory in the recent presidential election, younger DJP officials are struggling for their own voice in the overall party administration and in relationship with the higher echelon.

The group, roughly classified as civilian liberals, rejects Chongwadae's lingering "interference" in crucial party affairs and calls for expulsion of some "unpopular" figures from parliamentary nominations.

Despite an official proposal to hold the parliamentary elections before No Tae-u's inauguration on Feb. 25, many working-level strategists favor a March or April election.

The Democratic Justice Party has publicly explained that the February election is preferred in order to have the new president take the oath of office on Feb 25 before a new legislature.

However, it allows President Chon Tu-hwan to have a role in the nomination of National Assembly candidates.

While higher officials place top priority on the timing of the election in their dealings with opposition negotiators to honor Chon's last role, the younger officers are not so eager to hold an early election. Their goal is to gain as many house seats as possible.

Under the formal idea, one lawmaker is elected from each of 161 districts with the population of 70,000 to 250,000, mostly in rural areas, two members from 41 districts with 250,000-500,000 and three members from eight districts with over 500,000.

A long-standing trend shows that ruling party candidates are more popular in rural areas and less popular in urban centers in which a second or third ranked member may be elected Assemblyman under the DJP formula.

They tacitly hope for stronger opposition for the April election to deny Chon's share.

The younger voices were successfully raised when they argued that security service offered by the state for former presidents, should end when "danger fades out," rather than giving life-long security as originally drafted by the revision of a pertinent law.

They even showed displeasure at the arrangement last weekend by Presidential Secretary General Kim Yun-whan for separate meetings between Chon and opposition leaders.

Some pointed to "bad timing" now that they were preparing a round of No's talks with Kim Yong-sam, Kim Chong-pil and possibly Kim Tac-chung. Others claimed that Chon should meet the DJP president prior to gatherings with the opposition party heads.

Their objections were considered by senior ruling camp members as the initial schedules for the Chongwadae talks were delayed by one week.

The "intra-partisan democratic movement," as they called it, emerged notably in a New Year's statement in the name of all secretariat officials, in which they demanded "substantial" democratic reforms in party administration.

Attributing No's triumph in the Dec. 16 election to the split of the opposition forces, they accused "some" DJP leaders of still embracing an authoritarian tint.

They posed a sharp contrast with higher-level executives, who boast of the "broadest-ever" margin of nearly two million ballots, deliberately ignoring a low 36.6-percent support rate.

No has shown a "double-edged" response to the intra-party moves.

In a meeting of the Central Executive Council, the top decision-making body of the DJP, No urged the party leadership to employ their "reasonable" demands and push ahead with democratic progress. He further ordered the secretariat officials not to commit a rash act in the face of the upcoming parliamentary elections.

The younger staffers have further called for the dropping of some persons-non-grata from the nomination of DJP candidates in the elections.

Those named by the secretariat officials include the so-called "reformist officers" who opened the way for the establishment of the Chon Administration through the "military revolt" on Dec. 12, 1979.

As a whole, they also show antagonism against those generals-turned-DJP leaders, including former secretary general Yi Chun-ku and deputy secretary general Yi Sang-chae, who joined hands in the making of the president as chief and deputy chief campaigners, respectively.

Yi, widely branded as a top hard-liner, had faced harsh criticism last June when the nation was embroiled in anti-government popular protests.

DJP Plans To Revamp Organization

SK192358 Seoul THE KOREA HERALD in English
20 Dec 87 p 1

[Text] The Democratic Justice Party, which wishes to hold general elections around Feb. 10 next year, plans to revamp its organization soon.

While introducing new blood into the party organization, it plans to hold talks with opposition parties on revising the parliamentary election law next week.

President-elect No Tae-u, concurrently DJP president, yesterday said he will consult with a wide range of people on the nation's political agenda.

Presiding over a meeting of key party officers, No said the DJP should rely on dialogue with the people for solving political problems while respecting the opinions of opposition parties.

The DJP officers decided to promote floor leaders' talks with the opposition parties next week for negotiations on rewriting the parliamentary election law.

The ruling party favors constituencies electing from one to four lawmakers in accordance with the size of their voter population, a DJP official said.

The official said the DJP will push for the passage of a revision to the election law in the National Assembly in mid-January.

As a means of revitalizing the party organization, the official said, the DJP is considering recruiting about 100 new faces for nomination as parliamentary candidates.

Some of them are expected to come from the opposition camp, he said;

He said 40 percent to 50 percent of the DJP's incumbent lawmakers will not be renominated.

The DJP also plans to reshuffle party officeholders early next year, he said.

The DJP Central Committee will be convened to revise the party constitution, he said.

Under the president-elect's instruction to promote intra-party democracy, he said, the party plans to select the floor leader by vote.

For national reconciliation and the suprapartisan administration of state affairs, he said, No is likely to appoint some people who have no links to the party to cabinet posts.

For civilian rule, he said, more people without military backgrounds are expected to be appointed to both party and government posts.

DJP Party Applications Made Public

SK070143 Seoul THE KOREA TIMES in English
7 Jan 88 p 2

[Text] Parliamentary aspirants are forming a long queue to get application forms for nomination by the Democratic Justice Party since the ruling party began open bids for candidacy Monday as part of "democratic reforms" in the party administration.

It is the first public contest for candidacy in modern party history. In the past, party nominations have been usually made in a secret deal involving donations.

Over 1,200 received the forms as of yesterday though less than 100 of them rendered applications. The deadline is Friday.

They included State Minister for Political Affairs Yi Chong-yul and National Assembly secretary general Yi Chae-hwan, respectively born in Namwon, Chollapuk-do, and So-gu, Taejon, their constituencies in mind.

Such former ministers are pursuing DJP tickets as Yi Ki-taek of defense, Yi Sung-yon of finance, Kim Chong-ho of construction, Yi Yong-ho of sports and Choe Son-tal of communications.

Yi Kyu-hyo, dismissed as construction minister shortly before the Dec. 16 presidential election for a controversial remark slandering Cholla people, also brought an application, along with An Pil-chun, commander of the Defense Security Command.

A keener interest, however, goes to Kom Chin-ho, former commerce-industry minister and a brother-in-law of DJP president No Tae-u, who retired as head of the state-financed Consumer Protection Board apparently to run for a National Assemblyman.

Kim Pok-dong, an elder brother of No's wife, Kim Ok-suk, also resigned as president of the state-run Korea Mining Promotion Corp. a couple of days before the present vote but he has not yet moved to run.

No has repeatedly made it clear that he would not appoint his relatives for public posts.

Over 50 incumbent ruling party lawmakers took away applications.

In the meantime, the DJP has decided to qualify non-party members to tender applications in an attempt to "recruit fresh faces" mainly in the bureaucracy and journalistic quarters. Government officials and journalists are banned from obtaining party memberships under the present laws.

The competition ratio will be nearly 10 to one, if the trend goes on. Under the DJP idea, though subject to interpartisan negotiation, 211 will be nominated for as many constituencies which will elect up to three lawmakers to total 268.

DJP Revives Party Chairman Position

SK080155 Seoul THE KOREA TIMES in English
8 Jan 88 p 2

[Text] The chairmanship of the ruling party was revived after six months yesterday following party president No Tae-u's election as head of state.

The chairman, to be appointed by No shortly, will handle day-to-day business on behalf of the president of the Democratic Justice Party.

About 530 members of the Central Council's steering committee voted for the revision of the party charter to that end.

The No. 2 post in the ruling party was abolished last July after No, then chairman, was picked to succeed DJP president Chon Tu-hwan.

A handful of leading figures in and outside the party, including former National Assembly speaker Chae Mun-sik and ex-vice speaker Yun Kil-chung, are said to be candidates for the position. It was, however, not immediately known who No will choose.

The president-elect told the meeting that the DjP should seek democratic changes and keep promises it made during the recent presidential campaigns.

"Without strenuous self-repentance and renovation," "stern judgment" by the people cannot be avoided, he warned.

The participants adopted a three-point resolution—to safeguard a liberal democratic system, to secure a stable basis for "political development" through a victory in the upcoming general elections and to contribute to the take-off of Korea into a rank of advanced countries.

The DJP'S Central Executive Council had refused to endorse a plan, drafted by the secretariat and approved by No, to install a chairman after No's win in the Dec. 16 presidential vote.

The council set up a five-member subpanel designed to work out measures for democratic reforms in the party administration.

The subpanel recommended the installation of the chairmanship, and suggested election of high posts by voting instead of being appointed by the president.

The charter will be overhauled again into a more democratic one featuring the election of the posts possibly including the seat for the floor leader by a vote of member lawmakers in an extraordinary national convention, tentatively scheduled for early next month.

No is sure to be re-elected party president in the convention.

DJP 'Sounds Out' Opposition on Constituency System

SK130219 Seoul THE KOREA TIMES in English
13 Jan 88 p 1

[Text] The ruling camp is carefully sounding out the opposition parties on the small constituency system for the upcoming general elections in which one lawmaker is to be elected from each district.

Behind-the-scenes negotiations between the Democratic Justice Party and opposition parties are under way prior to high-level talks between the leaders of the rival camps.

A message was conveyed in a recent meeting between a ranking official of the ruling camp and a senior aide to Reunification Democratic Party head Kim Yong-sam.

The ranking government official, identified as Kim Yun-hwan, secretary general to President Chon Tu-hwan, proposed that the population in each district will not exceed 250,000.

However, he insisted on February elections in return for the concession by the government party on the electoral system. The RDP and the Party for Peace and Democracy led by Kim Tae-chung are seeking to hold the general elections in April.

The DJP yesterday adopted an electoral system under which one to four lawmakers are to be elected from each district in accordance with the size of population.

But in his meeting with Rep. Kim Tong-kyu, chief secretary to the RDP president, Kim Yun-whan indicated that the party position could be modified through partisan negotiations.

Rep. Kim Tong-kyu met the presidential secretary general Sunday to discuss the projected talks between president Chon Tu-hwan and RDP president Kim.

The parliamentary election system and the timing for the general elections will also be top on the agenda in summit talks between DJP president No Tae-u and the RDP president today.

It was learned that the senior presidential secretary has had close consultations with president-elect No, his high school classmate, on the major political issues.

RDP president Kim has shown his determination to seek the small constituency system in defiance of objections from within the party, mainly from incumbent lawmakers.

They fear that the opposition will suffer another humiliating defeat in the general elections while an opposition alliance between the RDP and the PPD is unlikely.

Therefore, serious internal debates within the opposition parties will be inevitable before the eventual adoption of the small district system in the full-fledged inter-party negotiations.

Kim Tae-chung's PPD showed a rather flexible stance on the medium-size district system under which two to four lawmakers are elected from each district, though it still favors a system of small districts not exceeding 200,000 in its population.

Kim Chong-pil's New Democratic Republican Party chose a system electing two to four lawmakers in each district.

Meanwhile, the DJP finalized draft amendment to the Parliamentary Election Law provides that the parliamentary electoral system would be zoned on the basis of 250,000 population, thus producing a total of 211 constituencies.

There will be 161 small districts producing one Assemblyman each, 41 electing two each and eight sending three each to the House. The only district to elect four lawmakers is Songdong-ku of Seoul.

The number of lawmakers to be elected from local constituencies will total 271. In addition, 55 lawmakers will be elected under the proportional representation system.

Dailies on Campaigning, Rivalry Results

YONHAP on 'Overwhelming Victory' of No Tae-u
SK170156 Seoul YONHAP in English
0141 GMT 17 Dec 87

[Text] Seoul, Dec 17 (YONHAP)—An overwhelming victory for government candidate No Tae-u has become clear after more than 80 percent of the ballots have been counted in south Korea's first direct presidential election in 16 years.

No, who has kept a commanding lead over the opposition candidates since the overnight ballot counting began, is expected to maintain his lead the rest of the way.

As of 10:20 a.m. Thursday, No had earned 7.1 million votes or 37 percent of the ballots counted. Kim Yong-sam, the first runner-up, won 5.1 million votes or 26.7 percent of the ballots counted. Kim Tae-chung remained a close third with 5 million votes or 26.1 percent of the ballots counted.

No defeated the opposition candidates in most cities and provinces, including his home town of Taegu, piling up overwhelming vote counts. No closely trailed first runner-up in Seoul as well as in the strongholds of opposition candidates in Pusan, south Kyongsang province and south Chungchong province, but he was eclipsed in Kim Tae-chung's stronghold in Kwangju and south and north Cholla provinces.

In an early morning news conference, No termed his triumph a victory of the "great common people" who wish to open a new era of democracy and reconciliation that will lead the nation to a new take-off stage amid stability.

I will share the dream and pains with the people while achieving democratization amid stability, development amid reforms, and unity amid reconciliation, he said.

No pledged his first priority efforts in healing the wounds and pains of our society. i will exert all my efforts to resolve the knots of the Kwangju uprising peacefully and swiftly.

With extreme regional preferences prevailing, the first runner-up Kim Yong-sam of the major opposition Reunification Democratic Party leads only in his home province of south Kyongsang and Pusan.

Kim Tae-chung of the Party for Peace and Democracy, who is a close second runner-up, is winning the biggest landslide victories ever in Kwangju and the Cholla provinces earning some 85 percent of the ballots counted.

Former prime minister Kim Chong-pil of the New Democratic Republican Party is leading only in his home province of south Chungchong.

Ruling Democratic Justice Party officials commented that the voters who want democratic reforms amid stability rallied behind No.

The opposition parties, however, are moving to declare the election results invalid and to launch nationwide struggles for that cause, saying that they cannot yield to the election results because a substantial amount of election fraud was committed by the government party in the campaign process as well as in the voting and ballot counting.

In an emergency meeting of party functionaries thursday morning, Kim Yong-sam's RDP concluded that the election was the most unfair in history. the party plans to discuss its countermeasures in another meeting with Kim attending.

The PPD of Kim Tae-chung is scheduled to hold a joint press conference in the afternoon with dissidents leaders who have supported Kim to disclose their position on the election results.

More than 23 million or 89.2 percent of the eligible voters turned out to cast their ballots in the presidential election from 7 a.m. to 6 p.m. wednesday, recording the highest voter turnout in the past seven direct presidential elections.

The voter turnout was the strongest in Kwangju with 92.5 percent, followed by north Chungchong province with 91.1 percent and north Kyongsang province with 91 percent.

'Toward Political Miracle'

SK180105 Seoul THE KOREA TIMES in English
18 Dec 87 p 8

[Editorial: "Toward Political Miracle"]

[Text] "The ruling party candidate will win in the long run." "If the two major opposition candidates fail to compromise for a single candidacy, both of them will lose." These were some predictions among common people. Now these sayings have come true.

Yesterday morning, we awakened to find a new president chosen after the most fiercest-ever campaign. Presidential candidate No Tae-u of the ruling Democratic Justice Party was elected sixth president with a five-year tenure by a margin of some 9 percent over his rivals Kim Yong-sam and Kim Tae-chung.

Though the margin of the votes, some 2 million head over his opposition candidates, is short of an absolute majority, No the victor may well have an undisputed claim of triumph as far as majority rule in a democratic system goes. Accordingly, it is quite natural for the losers to accept the decision of the sovereign people.

There remains, of course, room for the losers and their supporters to take issue with irrational or illegal campaign tactics that have prevailed throughout the 30-day campaign period. Nonetheless, the election as a whole in terms of polling and ballot counting can be said to be free from rigging.

Apart from negligible disputes over the conduct of the voting, the entire election process has been managed in a fair and orderly fashion, demonstrating a sense of cooperation and restraint on the part of the management officials, inspectors and the general public.

Unfortunately for the opposition camp, a major fault was caused by the failure of selecting a compromise candidate, otherwise one of two Kims might have won the contest. Their failure, it is recalled, set a stage of internecine battle before their common enemy, both only to taste the bitter pill of defeat. Mutual acrimony and accusations in the last phase of the campaign period was speculated to inflict a fatal blow to themselves.

The triumphant camp, on the other hand, has little to boast of. Its standard-bearer No had designed his style with the credit of the so-called June 29 declaration for democratization reforms and ensuing smart manners and well-rounded election pledges.

However, there is little denying that he and his party utilized to the maximum degree the vast bureaucratic apparatus. Besides, financial institutions, business tycoons and other well-to-do personalities and organizations were behind him.

The ruling camp also took advantage of the split of the two Kims. It appeared that his camp technically manipulated their rivalry in its favor.

A number of voters are presumed to have turned their backs on the opposition candidates in the wake of the violent obstruction of rival parties' stumping rallies. The regional rumpus adversely affected opposition votes from people who place a continued stability above all other issues, and who naturally voted for the candidate from the ruling camp. ²¹ The opposition-introduced election issues of the Kwangju upheaval and arms clash of December 12, 1979, rather aroused a sense of crisis felt by the people, fearful of an unpredictable post-election situation.

The most credit for No's victory may go to his strong appeal for national security, political stability and economic growth, effective for the people who wanted to maintain the status quo. The fatal crash of a KAL airliner apparently linked with the North Korean terrorism served as a catalyst to the No camp.

The president-elect, thus, has ample reason to be humble to the people as many people seemed to have chosen him as their leader despite their long-standing call for the end to virtual succession of the current regime. But for all this, there is nothing to belittle the authorities as a president.

Even a single vote that is won over the contenders is enough to justify the winner under the majority rule principle. With the legitimacy granted to the new president, he is behooved to duly carry out the constitutional mandate to "serve" the people and not to "reign" over his subjects.

The president-to-be should have receptive ears to the popular voices raised during the course of the campaign in translating his public promises into practice. Priority should be given to healing the wound of the election in quest of national harmony and reconciliation especially with respect to his presidential contenders.

In the meantime, it is quite desirable that the losers should be ready to submit to the voters' decision as to congratulate the victor, sloughing away old grievances. The election of a president itself is not the accomplishment of democracy but only a step toward the long march towards a mature democracy. The presidential candidates and their supporters might well join the people in the efforts to bring about a political miracle. REF SK190030 SEOUL THE KOREA HERALD ENGLISH 19 DEC—ROK: RDP FORMS PANEL TO PUSH 'NULLIFICATION' OF VOTE RESULTS

Protests Continue; Students To Demonstrate

SK190218 Seoul YONHAP in English
0206 GMT 19 Dec 87

[Text] Seoul, Dec. 19 (YONHAP)—Members of the major opposition reunification democratic party (RDP) Thursday began a 24-hour sit-in at the party headquarters accusing the government and its party of carrying out massive election fraud.

In south Korea's first direct presidential election in 16 years held Wednesday, the government candidate No Tae-u won a surprisingly easy victory over the divided opposition.

The RDP presidential candidate Kim Yong-sam, who emerged as first runner-up beating his rival opposition candidate Kim Tae-chung by a narrow margin, did not take part in the sit-in at the request of his aides.

In a statement issued at the beginning of the sit-in, the RDP members held themselves responsible for the failure to end the military dictatorship and disclosed their determination to reveal the details of the election fraud manipulated by the present military regime.

The statement said the RDP thanks the people who supported its presidential candidate Kim Yong-sam amid the election fraud which was nothing but a coup.

The RDP plans to hold a meeting of the heads of its provincial and city election committees to discuss the nationwide rallies to censure the election fraud and to end the military rule.

Meanwhile, more than 20,000 students and citizens took to the streets and staged violent demonstrations in 22 cities and counties protesting what they said was election fraud after nationwide rallies sponsored by the national coalition for democracy were aborted by the police.

More than 14,000 students, including about 5,000 high school students, and citizens demonstrated in kwangju, mokpo, and other cities of south Cholla province, home province of Kim Tae-chung who finished third in the presidential election. Also in Seoul, nearly 4,000 students staged street demonstrations.

A total of 15 police boxes were attacked by demonstrators hurling rocks and fire bombs. A police lieutenant was seriously injured in Sunchon and a county office van was burned in Kwangyang.

About 300 students entered the Myongdong cathedral in Seoul and staged an overnight sit-in confronting riot police.

Police arrested a total of 1,693 students and citizens throughout the country.

On Saturday, students of 22 colleges and universities around the country are expected to hold protest rallies.

Over 1,600 Detained

OW190735 Tokyo KYODO in English
0722 GMT 19 Dec 87

[By Irene M. Kunii]

[Text] Seoul, Dec. 19 KYODO—South Korean President-elect No Tae-u won "fullest support" from U.S. President Ronald Reagan as he moved swiftly to contain mounting dissatisfaction from the opposition he beat in the presidential race.

Meanwhile, police announced Saturday they have detained more than 1,600 people in antigovernment demonstrations held in major cities Friday to protest what they claimed was rigging in Wednesday's presidential election.

Political sources said No sent personal messages to opposition candidates Kim Tae-chung and Kim Chong-pil Saturday pledging to set up a "national government of harmony" when he takes office next February.

In a gesture of reconciliation with his beaten opponents, No said he does not plan to set up a single-party government under the ruling Justice Democracy Party.

"It is desirable to set up a national government of harmony, and I plan to run the government in this light," No was quoted as saying in his message.

The sources said No plans to send a similar message to Kim Yong-sam this weekend.

Kim Yong-sam, leader of the main opposition Reunification Democratic Party, was runner-up in the presidential election. Kim Tae-chung finished third and Kim Chong-pil was fourth. No promised separate talks with the opposition leaders.

Kim Tae-chung, who has refused to accept the result of the election which he claims was rigged, turned down No's offer of a dialogue.

"We can't accept the result of a fraudulent election," he said at a news conference in rejecting No's offer.

President Reagan, in a congratulatory message delivered to No Saturday, pledged the United States would give "our fullest support" to No's endeavour in seeking national reconciliation and maintaining a military deterrent in the Korean Peninsula.

In a note of approval of the election result, Reagan said No's commitment to democracy was a "key element" in his election victory.

U.S. ambassador to Seoul James R. Lilley relayed Reagan's message in a meeting with No Saturday morning.

No, officially confirmed as winner of the presidential election Friday, continued his rounds of victory visits Saturday with a call on President Chon Tu-hwan at the Blue House Saturday morning.

Sources said the two discussed plans for the next administration, which will be inaugurated on February 25.

The government-appointed Central Election Management Committee finalized the ballot count Friday after riot police forcefully evicted some 2,000 protesters who had been holed up at a polling station in Seoul with four ballot boxes containing what they claimed were tampered votes.

The siege at Seoul's Kuro Ward Office symbolized charges by defeated candidates and non-official election observers that the election was rigged.

Leading Figures Urge Acceptance of Outcome
SK161923 Seoul YONHAP in English
1912 GMT 16 Dec 87

[Text] Seoul, Dec. 17 (YONHAP)—The accommodation of democratic aspiration and the achievement of pan-national reconciliation are two crucial tasks facing the winner of the first direct presidential election in 16 years Wednesday, according to some leading figures of Korean society.

Observing the outcome of overnight ballot-counting that has evidently shown a sharp division of the nation, the prominent figures expressed deep disappointment and regrets over the overheated month-long presidential race marred by violence and divisive provincialism.

They also urged losers in the presidential election to unconditionally accept the outcome, setting an exemplary precedent for democracy.

Former chief justice Yi Yong-sop said the nation has made a step forward toward democracy in that voting and ballot-counting have been carried out smoothly despite pre-balloting fear of significant disturbance.

Yi added that the winner should fully reflect the opinions of the losers in the decision-making process of national affairs so that regional animosity and frictions among the social strata could be minimized, paving the way for national reconciliation.

The presidential race has been plagued with overheated rivalries among candidates and black propaganda, causing to surface regional antagonisms to the extreme, said Kim Tong-ni, a senior novelist.

Echoing Yi's views, Kim called on those defeated in the election to respect the people's decision and join the winner in making efforts for national reconciliation.

Mun Tae-chun, chairman of the Korean Medical Association, was quoted as saying that he thinks the election was held smoothly in general and that it proves popular aspiration for democratizing the nation was higher than ever before, considering that the people did not have the chance to choose their leader for a long time since 1971.

The new president, Mun added, bears a heavy burden of resolving the trauma of the election.

Kim Tong-in, chairman of the Federation of Korea Trade Union, said he views voting and ballot-counting were fairly managed, adding the new president should devote himself to both the nation's stability and democratic development.

He said the future course of national development rests on the attitudes of the losers rather than the victor.

Yi Chong-won, former justice minister, said the winner in the election should fully abide by pledges he has made during the campaign and lay the foundation for national harmony.

TONG-A ILBO Editorial
SK180412 Seoul TONG-A ILBO in Korean
17 Dec 87 p 2

[Editorial: "The Path Toward Great Harmonious Politics—Candidate No Tae-u's Election Win and His Future Tasks"]

[Text] The result of the presidential election has been revealed. DJP candidate No Tae-u has been elected the 13th president, shaking off the pursuit of RDP candidate Kim Yong-sam and the candidate of the Party for Peace and Democracy, Kim Tae-chung.

The current presidential election, with its high 89.2 percent voter turnout rate, is of significance not only from the viewpoint that it was a direct presidential election, the first in the 16 years since 1971, but also because it decided the force that will lead the era of democracy by creating a new government freed from the swamp of dispute over legitimacy and by putting an end to the protracted system of authoritarianism which suffocated our country.

In other words, whoever takes power, the next government should not only push ahead with the democratization of politics, but should also carry out social reforms to expand multiplicity and autonomy.

Thus, DJP president-elect No Tae-u has the important missions to faithfully implement not only his 29 June declaration but also a second "29 June declaration" he put forward in the midst of the election campaign.

In fact, the 29 June declaration is not only a political declaration but also includes points that need overall social reforms to bring them to fruition. Not only an

expansion of freedom of the press and the ensuring of autonomy of education and of campuses should be implemented, but also military intervention in politics should be permanently blocked as he pledged during the election campaign.

In this respect the opportunity for an interim evaluation of the results of his promises and political pledges to determine how substantively they are implemented after the 1988 Seoul Olympics will be of great significance.

The people have now made their decision. The popular will which was expressed during the election will not evaporate even after the election. We think that incidents of various disturbances, throwing stones and firing tear gas that president-elect No Tae-u encountered during his election campaign made him realize many things.

He should show the difference between gaining the people's judgment—after what he saw and realized while threading his way through the throngs of people—and a victory won merely in a gymnasium [the place symbolizing election by a government-nominated electoral college—fbis].

The two Kims, who lost even though they had more votes than the winner when their votes are combined, should keenly examine themselves at this point. They should have realized that the people encouraged their struggle for democratization but did not support their fight being split when faced with gaining power. Furthermore, through their votes the people clearly expressed their disappointment with the two Kims' turning away from fielding a single candidate, through being engrossed with ambition for power, even while putting forward justification for democratization and ending military rule.

What is left for the victor is to send consolation to the defeated and for the defeated to send congratulations to the victor. They should ponder that the attitude of clearly accepting the results is the path of responding to the people's lofty political consciousness and to their sense of participation.

Meanwhile, the victor should resolve to play the role of a moving force on the road of leading democratization—the mission of our era—with a sincere, modest attitude instead of feeling relieved or excused from political burdens as a result of the current elections.

We also believe that based on their keen self-examination, the defeated should ponder what contributions they can make to political development in this country and how they can make them.

Provincialism, discord between classes, and contradictions between generations should be resolved one by one on the basis of great national harmony.

President-elect No Tae-u and all of the people should make joint efforts to realize the peaceful transfer of government in very deed in February 1988, the first in the history of our Constitution, and to hold the 1988 Olympics in Seoul, "the capital of a democratized country."

Daily Urges Acceptance

SK190057 Seoul THE KOREA TIMES in English
19 Dec 87 p 8

[Editorial: "Dogmatism of Two Kims"]

[Text] The people at large, particularly those voters who supported the major opposition parties in the presidential election this week, may have a word or two to say to the two opposition candidates.

In their post-election protests, the two opposition leaders have claimed the presidential election is null and void, declaring that it was rigged "from the start."

Since Reunification Democratic Party candidate Kim Yong-sam and Kim Tae-chung of the Party for Peace and Democracy attracted 12 million votes altogether, the nation has seen a reconfirmation of the strong public wish for democratic reforms, including the termination of "military rule."

Yet, both were defeated by the president-elect No Tae-u of the ruling Democratic Justice Party by the overwhelming margin of 2 million votes, namely because the two opposition candidates ran the race separately.

The majority of eligible voters, as indicated by the election results, enthusiastically supported the opposition camp led by the two Kims, persistently urging them to formulate a single candidacy even up to the last minute.

Nevertheless, the zeal of voters for the formation of a united front as the correct election strategy to counter the "powerful" ruling party was totally ignored by the two Kims, as we recall, and the result was a stunning defeat for the opposition forces. Who should be blamed for this?

The two Kims must have well been aware of the need to adopt this simple but important election strategy to win the battle. But both of them turned deaf ears to a warning that unless compromise they were both doomed.

In this post-election period, they are not in a position to cry "election fraud" on the part of the victor, unless there is concrete evidence to prove it. The general public has not heard of any such irregularities hindering due processes in polling and vote-counting.

The two Kims are now asked to be profoundly remorseful of their blunder which will mark the annals of national politics. In addition, they should be ready to

break away from previous morbid political action employing students and youthful citizens in the opposition political cause, with university campuses and street corners incessantly disturbed by violence and destruction.

Daily Urges Parties to 'Resume Dialogue'
SK220209 Seoul THE KOREA HERALD in English
22 Dec 87 p 8

[Editorial: "Time for Political Dialogue"]

[Text] Some undesirable aftereffects of the Dec. 16 presidential election still linger, darkening our otherwise refreshed heart. Radical students and other dissenters sympathetic with the defeated opposition candidates are attempting to defy the outcome of the vote in some parts of the country.

However, it has become clear to all by now that the victory of the government party standard-bearer is an accomplished fact, leaving no room for refutation.

The peaceful balloting and orderly vote counting, against which few complaints were raised when they were under way, speak for the honest and clean process of the election, unlike the turbulent campaign a week before.

The absolute majority of the voting public have accepted the results of the election as due expression of the popular will based on the principle of democracy. Independent observers both from abroad and at home agree on the decided fairness of the election.

Even the traditionally vocal critics of the Seoul government and its ruling party entrenched in the press and political circles of other countries approved of what was manifested through the enthusiastic participation of the Korean people in the first direct election of a president in 16 years.

Many foreign government leaders lost no time in endorsing and congratulating the Democratic Justice Party on its victory in the most hotly and freely contested presidential election in the history of this Republic.

Under such circumstances we have no reason to dwell on the past. It is time to lay the dust and move ahead, to plan for and build a brighter future. Disgruntled and frustrated opposition party leaders and members, along with violent radicals bent on sabotaging our orderly political transition and subverting our free institutions, must stop their futile drive against the verdict delivered them in no uncertain terms.

With a view to hastening national reconciliation and cooperation among political parties, President-elect No Tae-u invited the three rival party heads to talk with him about how they could work together for that common cause and continuing productive democratic reforms.

Only one of the three responded favorably. The other two should follow suit, shedding their bad old attitudes of negation and rejection of all matters which do not take their fancy. Election of National Assemblymen is coming up soon. All parties ought to prepare with related legislation and organizational streamlining.

The citizenry as well as politicians cannot afford to lose time in senseless post-election confrontation. Parties should resume dialogue and normalize their functions to pave the way for a smooth political change.

Opposition Urged To Face Future
SK220122 Seoul THE KOREA TIMES in English
22 Dec 87 p 8

[Editorial: "For the Opposition Camp"]

[Text] Political unrest persists. The opposition camp has yet to cast off its nightmare of stunning defeat in the December 16 presidential election. Fraud allegations, malignant rumors and violent protests are plaguing society, belying the popular wish for post-election stability.

It seems that the two major opposition candidates Kim Yong-sam and Kim Tac-chung will not submit to the outcome of the election but rather seek to intensify their struggle to nullify the election itself on the pretext that the voting was rigged from the outset. Fraud charges include expulsions of opposition vote watchers, voting by proxy, nullification of the ballots for opposition candidates and swaps of ballot boxes.

In response to the opposition allegations, the ruling camp may well vindicate their own position with sincere explanations. As a result, the opposition camp is advised to present more concrete data to prove their allegations in view of the tendency of the general public to accept the election result as it is published. If this is not done, the fraud charges hardly deserve consideration.

As a matter of fact, the people in general are of the view that the sooner the election dispute is settled, the better. To follow within the next six months is a parliamentary election agreed on in earlier bipartisan talks. Coming next after this, probably in the middle of 1988 is the election across the country of local autonomous councils and the Seoul Olympics in September.

If the fraud accusations are not warranted, the protracting instability likely to be caused by the opposition non-acceptance of the election result will not serve the interests of the opposition camp, especially in the forthcoming lawmakers election. The opposition camp should lose no time in realigning its ranks in preparation for the parliamentary contest.

The major opposition parties, in fact, have shown signs of disarray over the placing of the responsibility for the defeat in the election. A rift has deepened between the two rival opposition parties led separately by the two Kims over their failure to choose a single, compromise candidate.

Discord has been also fermenting within the parties as a result of the party standard-bearers and their subordinates' different assessments of the causes of the defeat: the former put the blame on election irregularities and the latter on the failure to compromise and field a single candidate.

Had the opposition leaders taken a humble attitude and admitted their faults, they would have received more sympathy for the fact that the opposition camp won more than 60 percent of the votes and yet was defeated by the ruling camp's 36 percent.

It is not too late for the opposition parties to turn over a new leaf and to take on a new challenge. In this way, they give themselves another chance in the next presidential election in five years.

Daily on 2 Kims' Failure to Field Single Candidate

*SK210056 Seoul CHOSON ILBO in Korean
18 Dec 87 p 2*

[Editorial: "They Should Never Afford Another Defeat—a Piece of Advice to the Two Kims"]

[Text] As it became clear that they were losing the election, both Mr Kim Yong-sam of the RDP and Mr Kim Tae-chung of the PPD said that the irregularities and corruption employed by the government and ruling party from the beginning to win the election caused their defeat. Whether their charges are true or not will be determined by evidence to be produced in the days ahead.

While the whole world knows very well that there are apparent reasons behind their defeat, which can be proven without objective evidence, the two keep their mouths shut and pretend they are not aware of it. Their defeat stems from their failure to field a single candidate. It is undeniable that had the two men been able to agree on a single candidate, aside from the number of votes they might have been able to garner, they would have been able to reverse the outcome of the election with ease by creating even "a wind."

Privately, we are inclined to express our words of sympathy and encouragement to the two Kims, who must now feel frustrated over and angry at losing the election. We make it clear that it is not a pleasure to rub their raw wound by examining the genuine cause of their defeat.

Nevertheless, we point out to them the fact that they were captives of their own self-righteousness and egoism because their act as such has left an incurable bruise on the future of the Korean opposition parties. By failing to field a single candidate, the two Kims also have made a mistake of historical proportion—they have dashed the ardent hope of 12 million voters, more than half of all voters who cast their votes for them, for a new government. This is something we cannot afford to overlook. Simply put, there is no doubt that had they been able to agree on a sole candidate, he would have been elected president. Assuming that at least a change of government would have been possible had they not insisted on a direct presidential election system by being the captives of the so-called mad ambitions for presidency, it is understandable that the voters who cast their votes for the opposition candidates are indignant and frustrated.

If their factional strife has led to their failure to bring an end to military rule—a cause they have so persistently claimed they want to achieve—and to evaporating their political dream about the presidency, the leading lines of the two Kims are unquestionably misguided, whatever causes and motives may be behind them. In particular, if the frustration they suffer today results in thinning their image as the giant tree of the Korean opposition and rendering their role as the rallying point uncertain, and if this leads to establishing an image of the opposition parties being weak to a strong ruling party, the aftermath of the two men's failure to field a single candidate cannot be more enormous. Herein lies the reason why we are so keenly concerned about the process and returns of the general election to be held soon.

It was because they had the courage to sacrifice themselves to reflecting public opinion whenever the people wanted them to that, despite the enormous political suppression and persecution, they could have lorded it over the population in South Korea as its political leaders. This being the case, they should examine themselves with compunction that their refusal to reflect public opinion at the outset of the presidential election has eventually reduced the people's ardent aspirations for democracy to an instrument for the game of a power scramble.

Whatever struggle they may put up in the future in connection with the just-completed election, the political value of their struggle will find no sympathizers as long as they ignore the stark fact that they have lost the election because they failed to field a single candidate. In whatever political activities they may engage in the future, they should deeply realize that they will find no sympathizers if their activities are not accompanied by the sense of responsibility for their failure to agree on a single candidate.

No Tae-u Pledges Confidence Vote Following Olympics

SK120719 Seoul YONHAP in English
0701 GMT 12 Dec 87

[Text] Seoul, Dec. 12 (YONHAP)—No Tae-u, presidential candidate of the ruling Democratic Justice Party, said Saturday that if elected president, he will ensure that a confidence vote is held on his performance after next year's Seoul Olympics.

Outlining his post-election policies including a sweeping amnesty immediately after the inauguration, No said, after the Seoul Olympics next fall, I will ask the nation to evaluate whether I have carried out my election pledges as well as the June 29 declaration.

On June 29, No announced a democratic reform package which included direct presidential elections to end a month of massive antigovernment demonstrations demanding direct presidential election.

Following the Dec. 16 election, the nation's first direct presidential vote in 16 years, South Korea's new president will be inaugurated on Feb. 26 next year. The 24th Summer Olympic Games are scheduled to be held in Seoul from Sept. 17 to Oct. 2 next year.

In a news conference held hours before his scheduled mammoth campaign rally at Yoido Plaza in Seoul, No also called on the opposition parties to field a single presidential candidate for a clean contest with majority vote at stake, accusing the two leading opposition candidates of having launched an endless and unrestrained competition to turn the election into a savage battle resembling mud wrestling.

The recent last-ditch efforts of opposition supporters ended in failure in convincing Kim Yong-sam, presidential candidate of the leading opposition Reunification Democratic Party (RDP), and his archrival opposition candidate Kim Tae-chung of the Party for Peace and Democracy (PPD), to agree on a single candidacy.

Kim Yong-sam and opposition supporters represented by independent candidate Paek Ki-wan who is backed largely by radical students had agreed to hold an emergency political negotiation meeting for a single opposition candidacy, but Kim Tae-chung refused to take part in the meeting.

As the presidential race has become virtually a three-man contest, political observers have predicted that any contender who wins 35 percent of the valid votes will be the next president.

Claiming that a one-to-one contest would be the best way to achieve national unity after the election in order to secure definite support from the majority of voters, No said, I hope the two opposition candidates would

remember that the single opposition candidacy was the most important pledge that they made to the nation as my June 29 declaration was my most important pledge to the nation.

Contrary to their early promise that only one of them would run in the presidential race, the two Kims split over the single candidacy issue shortly before the campaign formally started.

Opposition supporters fear that the split will boost No's chances of winning the election.

In the national policy programs billed as my conception for the new era of democracy and reconciliation, No vowed to run the nation on a suprapartisan level with first priority placed on efforts to turn the disintegration and friction caused by the election into reconciliation and unity.

No pledged to carry out a sweeping amnesty immediately after his inauguration, except for radical leftists, violent revolutionaries and flagrant criminals, to help launch the new government amid reconciliation with all the nation participating.

No further said that he will establish under the direct control of the president a center for the promotion of democracy and reconciliation with the ruling and opposition parties, government officials and private organizations participating.

Promising his all-out refusal to accept authoritarian leadership, No said that he will be a president accessible to all, mingling among the people and reflecting their opinions in government policies while leaving routine administrative affairs in the hands of the cabinet.

No disclosed his intention to reduce the function and role of the nation's intelligence agencies, saying that all the intelligence agencies will be reorganized to carry out their original roles such as counterespionage affairs.

As for past scandals and suspected links to those in power, he promised thorough reinvestigations and punishment of those involved when new evidence is uncovered.

No emphasized that there can be no exceptions when it comes to rooting out corruption, pledging that the private assets of all senior government officials, including the president, will be registered and subject to public scrutiny.

Touching on the political neutrality of the military, No said that he will never accept the intervention and involvement of the military in politics.

In addition, No said he will transform the ruling party into a party of true democracy which will choose its next presidential candidate through free competition to serve as a bridge to civilian rule.

DJP Rejects Six-point RDP Proposal

SK230149 Seoul THE KOREA TIMES in English
23 Dec 22 p 2

[Text] Democratic Justice Party spokesman Yi Min-sop yesterday termed an "old-fashioned gesture" RDP president Kim Yong-sam's six-point precondition for his party's resumption of negotiations on a new parliamentary election law.

"It is nothing but an old-fashioned political gesture to avert fiery public criticism of his absurd argument on alleged election fraud and also to find a pretext for his return to the negotiation table," he said.

"The oppositionists should be aware of public opinion and follow the mandate of the people ordering them to create a fresh political atmosphere, based on reconciliation and harmony.

He warned that the oppositionists would face formidable resistance by the people if they keep spreading "groundless" rumors of election rigging.

Daily on Spread of 'Preposterous' Rumors

SK231125 Seoul TONG-A ILBO in Korean
21 Dec 87 p 2

[Editorial: "Why Do Rumors Prevail?"]

[Text] When we read history, we tend to be interested in unauthentic history, rather than authentic history. Of course, an authentic history is based on the records of historical facts and, accordingly, is more credible than unauthentic history. However, the authentic history of a country inevitably reflects the views of its government or its ruling class. An unauthentic history is based on information gotten by word of mouth or hearsay and is, accordingly, less credible. However, it reflects the opinion, views, and grievances of the oppressed people, minority segments of society, and the lowest class of society.

In this sense, rumors are similar to unauthentic history. In other words, we cannot say that rumors are not the "reproduction of facts"; but we can say that occasionally they reflect facts.

In fact, we should not treat lightly the rumors that prevail in our society today, because there are so many vicious and preposterous rumors circulating among the people. Some of these vicious and preposterous rumors are: "The chairman of the Central Election Management Committee was arrested and detained because he declared the presidential election null and void"; "seven or eight people (some rumors say 80 people) were killed

in the police crackdown on the sit-in and demonstrations struggle at the ballot counting office in Seoul's Kuro district"; and "martial law has been declared in the Kwangju area, and airborne special forces troops have been deployed there." Furthermore, many people, believing that such false and preposterous rumors are true, made telephone calls to newspaper companies to protest their "having failed to report this."

However, we cannot say that the circulation of such groundless rumors is because our citizens believe them. In the past, rumors were rapidly circulated when the citizens believed them, and the circulation of rumors was stopped when they were found to be false and groundless. However, according to the studies of scholars, "rumors will prevail under an environment in which such rumors can breed, regardless of whether or not the people believe them." In other words, rumors tend to fulfill the aims that they attempt to achieve, regardless of whether the people believe them or not.

The government authorities and the ruling party should deeply think about why such false and groundless rumors are circulating widely among the people. The rumors are prevailing among not only the people who do not sympathize with those who insist on "fraud in the course of voting and counting ballots" and "organizationally and systematically perpetrated election fraud," but also among the people who admit the victory of the ruling party with a 2-million-vote margin. This is because our people try to find the way to erase their psychological conflict and complications from rumors. That is to say, our people, although they admit the outcome of the election rationally, still have psychological conflict and complications about the fact that 12 million anti-No Tae-u voters voted for the two Kims

The government and the ruling party should be aware that rumors prevail more widely and more rapidly when the authorities grasp information and intelligence, particularly information and intelligence having a direct bearing on the common destiny of members of the society, and do not release them to the people.

The process of ballot counting across the country was covered primarily by KBS and MBC television networks. This was natural. However, some people suspected the fairness of their coverage of the ballot counting. We cannot unconditionally blame them for this, considering the biased reporting by the two networks during the election period. Furthermore, rumors say that ballot counting figures were put into the two networks' computers in advance.

The government and the two television stations should not unconditionally ignore such an allegation, but should explain to the people so that they can understand the facts. Biased news coverage may result in leading the people to tend not to believe even an important fact. The government and the television stations should know this.

We should not unconditionally define news as fact and rumors as falsehood. News may become false news. Rumors may become truth, as we have experienced in the stock markets. We urge the television stations to take sincere efforts and steps, including personnel reorganization, so that they can lead the people to believe news and to ignore rumors as falsehood.

XINHUA: Election Protests Continue in ROK
OW230818 Beijing XINHUA in English
1840 GMT 22 Dec 87

[Text] Pyongyang, December 22 (XINHUA)—More than 7,000 students and citizens in different parts of South Korea Monday continued their demonstrations against malpractices in the December 16 presidential elections, according to reports reaching here from Seoul.

A rally was also held by over 1,000 students from universities and colleges in Seoul to expose and denounce election fraud.

In Kwangju, more than 1,000 students and citizens marched through the streets, at the Kwangju park and in the city center. During the march, they threw stones at police and shouted "null and void are the elections." They also threw firing bottles at the United States Information Service Cultural Center.

Meanwhile, opposition leader Kim Tae-chung in his statement made an apology to the voters for not having a single candidate in the election. He believed that the December 16 presidential election was a malpractice election with power and money. He expressed the determination to participate in the struggle for invalidating the elections.

Another opposition leader Kim Yong-sam called on the Reunification Democratic Party members to get united in the struggle for an end to the military regime.

During the December 16 elections, the ruling Democratic Justice Party candidate No Tae-u was elected president with 37 percent of the votes while Kim Yong-sam and Kim Tae-chung combined got 55 percent of the votes.

Paek Ki-wan Seeks Meeting With Kims
SK140813 Seoul YONHAP in English
0758 GMT 14 Dec 87

[Text] Seoul, Dec 14 (YONHAP)—Paek Ki-wan, an independent presidential candidate, Monday declared his withdrawal from South Korea's presidential race in order not to split the people's votes.

Paek, who enjoys support among youths, chiefly university students, did not disclose who he will support in Wednesday's presidential election — opposition candidates Kim Yong-sam or Kim Tae-chung.

In a news conference at his home, Paek said it is time that he himself be held responsible for failing to form a grand coalition of democratic forces.

I have decided to withdraw from the presidential race now that I see it as a patriotic way to stop from splitting the people's votes, he said.

Rumors had floated that Paek would declare his support for Kim Yong-sam but Paek said the people should exercise their right to vote in such a way as to prevent the extension of military dictatorship.

On his proposals for a democratic coalition government and an alliance among opposition forces against ruling party candidate No Tae-u, Paek said that Kim Yong-sam has fully agreed to the proposals while Kim Tae-chung gave his consent on the condition that part of the proposal concerning the Kwangju uprising be revised.

Paek said he will arrange a meeting involving the two Kims and himself.

Paek had proposed in a campaign rally Saturday a talk among the two Kims and himself to discuss principles for the formation of a democratic coalition government, including judgment of those responsible for the Kwangju incident, and the so-called three anti-No principles calling for nonrecognition of the election results if No is the winner.

With Paek's withdrawal, the number of presidential candidates has been reduced to five — No, Kim Tae-chung, Kim Yong-sam, former prime minister Kim Chong-pil and Shin Chong-il, president of a minor party.

Rival Parties Plan To Revise Election Laws in January
SK240119 Seoul THE KOREA TIMES in English
24 Dec 87 p 1

[Text] The rival parties will start talks on the sticky issue of revising the Parliamentary Election Law early next month, quickly easing their confrontational stances.

Rep. Yi Tae-sun, floor leader of the Democratic Justice Party, had an informal meeting with his opposition counterparts Tuesday night and sounded out their positions.

Floor leaders Kim Hyon-kyu of the Reunification Democratic Party (RDP) and Ho Kyong-man of the party for Peace and Democracy (PPD) gave no firm commitment but suggested that their parties would come to talk around New Year's Day, informed sources said yesterday.

They will have a preliminary meeting for a full-dress session by higher officials soon, they said.

DJP lawmakers were told to reinforce contacts with oppositionists to create a "favorable" atmosphere conducive to the opening of inter-party negotiations, pulling them from indulgence in controversy over "election fraud."

They will deliberate strategy on the matter this morning.

Rep. Yi said, "The opposition will shortly accept our proposal for the formation of a negotiation channel, given a plausible excuse. I am convinced that the revision of the law would be finished late January."

The government party plans to hold the parliamentary elections not later than Feb. 20, five days before president-elect No Tae-u takes offices. No told the Central Executive Council, the DJP's chief decision-maker, that it is desirable to hold the elections early February.

[Seoul THE KOREA HERALD on 24 December on pages 1 and 4 carries similar article and here adds:

["But the Reunification Democratic Party and the Party for Peace and Democracy want it to take place in April"—fbis]

Ranking DJP officials, who tried hard to attract opposition leaders to the negotiation to avert their arguments on the fairness of presidential voting, are now giving more emphasis to recruiting new faces among those with reputable careers for the elections.

If a DJP idea about the constituency is adopted, at least 209 candidates are to be nominated by the party to run for the coming general election.

A new constituency system under the DJP's consideration is to elect one each from 159 constituencies with a population of 250,000 or less, two each from 43 constituencies with 250,000-500,000, and three each from six whose population ranges from 500,000 to 750,000.

Only Songdong-ku, eastern Seoul, will have four lawmakers as its registered residents number over 750,000.

Half of the 53 National Assembly seats will go to a party which produces the largest number of legislators in the elections under a proportional representation system, according to the DJP proposal.

The issue on setting the constituency system will be the bone of contention in the partisan negotiations, along with the timing of the election.

The opposition RDP seeks to adopt a small constituency system in the forthcoming parliamentary elections under which only one lawmaker is elected from each district.

Renewing his call for the small district system for the general elections, RDP president Kim Yong-sam claimed Tuesday that the population of each constituency should not exceed 200,000.

A senior aide to Kim said that the party leader's proposition on the election system is intended to garner the largest number of votes in the parliamentary election, thus becoming the major opposition party.

He went on that the RDP aimed at gaining some 40 percent of the Assembly seats through the upcoming general elections.

"The small constituency system is an inevitable choice of our party for that goal," said the aide.

RDP spokesman Kim Tae-yong claimed that "a perfect small district system" reflecting the principle of regional representation and ensuring the equal value of popular votes should be adopted "as the people want it."

The RDP spokesman then denounced the ruling party-proposed parliamentary constituency system, in which one to three lawmakers are elected from each district in accordance with the size of population, as "another form of gerry-mandering."

Rep. Kim said, "The DJP-suggested parliamentary district system was designed to have its candidates elected both in all rural and urban areas."

He reasoned that DJP candidates can be easily elected along with their opposition counterparts if the DJP's proposal was adopted.

The RDP spokesman then demanded that president-elect No Tae-u accept the RDP proposal for the small district system "as he has repeatedly promised to follow the people's will."

However, the small district system is likely to face strong repercussion from some party members, particularly incumbent lawmakers elected from rural areas, when inter-party negotiation on the revision of the parliamentary election law begins early next month.

Rural areas are largely favorable toward the ruling party.

A party expert on election law expressed doubts that the opposition RDP will stick to the small constituency system to the last minute of the inter-party negotiation, considering the intra-party political interests among party lawmakers and political aspirants.

He admitted that most incumbent lawmakers of the opposition parties as well as the ruling party want the current medium-size district system, in which two lawmakers are elected from each district, to be maintained.

Then he observed that inter-party negotiations on the parliamentary election district will certainly result in the modification of the current medium-size election districts.

[THE KOREA HERALD adds:

["The NDRP, headed by Kim Chong-pil, appeared to be most eager to enter the inter-party talks.

["At a news conference yesterday, Kim proposed a conference among the leaders of the nation's four major parties to discuss rewriting the election law.

["Kim said he favors the current medium-size, two-seat constituency and an election in February.

["He said the new election law should include clauses to prevent fraud and to invalidate the outcome if fraud is determined.

["Kim said he will seek a seat in the next National Assembly. But he has not decided whether he will run in an electoral constituency or seek election from a proportional representation system"]

Kim Chong-pil on NDRP General Election Policies

SK240249 Seoul THE KOREA TIMES in English
24 Dec 87 p 2

[Text] New Democratic Republican party [NDRP] president Kim Chong-pil said in a press conference yesterday that his party favors a parliamentary election in February next year and a medium constituency system allowing for election of two to four lawmakers from each constituency.

"A general election should be called not later than Feb. 20 next year, timed with the inauguration of a new government," the NDRP president asserted.

He said his party favors a medium constituency system "to eradicate regional antagonism and ensure the parity of a ballot's worth as much as possible."

The former prime minister then proposed that the four major parties start a four-way negotiation for the revision of the Parliamentary Election law where the prospective members at the talks will tackle various pending issues including the election date and the adjustment of electoral constituencies.

Kim, who unsuccessfully ran for the presidency, went on that a general consensus of the people on the parliamentary election system should be faithfully reflected in the yet-to-be-initiated talks in elimination of "partisan ends and interests."

He continued, "To prevent election frauds from recurring in the general elections, those sitting on the negotiating table should create an institutional device for prevention of such irregularities."

He also proposed the formation of a bipartisan investigation committee to probe into the alleged election frauds in the just-ended presidential poll "in a clear-cut and objective manner."

"The success of a fair general election next year will depend on the clear identification and correction of the election frauds," he argued.

In a question-and-answer session during the press meet, the NDRP president strongly hinted he would run for a national Assembly seat. "I think it is good for me, as party president, to have a parliamentary seat," he said.

But he stopped short of specifying whether he will run in his own electoral constituency or seek to be elected from a national constituency. He will reveal it "later."

Daily on Shift in Kim Yong-sam's Stand on Election

SK241230 Seoul CHOSON ILBO in Korean
23 Dec 87 p 2

[Editorial: "President Kim Yong-sam's Great Principle"]

[Text] The decision by RDP President Kim Yong-sam to participate in the general election is a wise shift in charting a course. When President Kim vowed a struggle to completely overthrow the Chon Tu-hwan-no Tae-u regime after declaring the 16 December presidential election completely fraudulent, the RDP lines reminded us of a man with bloodshot eyes and clenched fists.

However, President Kim stated in a meeting of party executive members held on 22 December: "In the upcoming general election, I am determined to achieve, without fail, the cause of ending the military rule and democratizing the country, a cause we have failed to achieve through the just-completed presidential election, through an election revolution." This time we seem to find a true believer in parliamentary democracy whose words show he has regained his will to reason.

Generally speaking, we find two things in his decision to participate in the general election. First, politics depends on public opinion under all circumstances. He may have already realized that his anger and indignation about the returns of a rigged election, no matter how great it may be, will fall on deaf ears if the people are not sympathetic to it and therefore will come to naught. To be a little too extreme, a wonderful political leader should first heed public opinion, even if his judgment turned out to be correct and the public had been obviously misguided.

In particular, President Kim must have concluded how futile it is to repeatedly pledge to overthrow somebody at the cost of his life at a time when the more than half of all voters, who have voted for him and who are now disappointed at the results of the election, are inclined to discard the clarion call to the point where they would sit on the sidelines while the opposition are being completely annihilated. No doubt, the notion that the political parties are not the monopoly of a party president and that they are the community of all the party members must have played a great role in his decision.

Also, it would not be as easy as it sounds for a political leader to decide to depart from yesterday's lines and chart a new course when he realized that the course thus far has been wrong. In this context, we find some relief in President Kim's decision that politics in our country can be as cheerful as watching sporting events and that it can be different from the past pattern of politics which has always been cornered in blind alleys.

There is no question that most people in the country hope President Kim's decision to participate in the general election will serve as a positive stimulus for our country's political development. We hope that the DJP will not make President Kim's somewhat agonizing decision dissipate or use it only for political purposes. It is true that the RDP's idea about April being the proper month for holding the general election or their idea about small electoral districts representing 200,000 voters does not sit well with the DJP. Nevertheless, it is our belief that the DJP will patiently and sincerely deal with and reach agreement on the proposals advanced by the largest opposition party.

Also, we hope that the DJP will pay appropriate attention to the 6-point demands made public by President Kim, although he did not link it to his decision to participate in the general election. The DJP needs this if for no other reason than that it needs the RDP's partnership; because without the RDP's participation, the DJP will find it impossible to lead the political situation. In particular, the fact that many people are sympathetic to most of the 6-point demands is something that the DJP has to deal with apart from its relations with the RDP.

We also hope that the RDP's decision will encourage other parties, including the Party for Peace and Democracy, to make efforts—apart from efforts to shed light on charges that the election was rigged—to make the political situation operative.

RDP Thought Likely To Vote Down Kim Resignation

SK020505 Seoul YONHAP in English
0458 GMT 2 Jan 87

[Text] Seoul, Jan. 2 (YONHAP)—Kim Yong-sam, president of the opposition Reunification Democratic Party, Saturday tendered his resignation as the opposition party

leader prior to a special national convention next Wednesday which will decide on RDP's future leadership. The RDP's extraordinary convention will deal on Kim's resignation as a single agenda. RDP sources said the convention is likely to resolve confidence on Kim by voting down the resignation issue.

Taking responsibility for his defeat in the Dec. 16 presidential election, Kim on Monday proposed to call for a vote of confidence on his leadership.

The sources said that it was the predominant view in the party that the RDP should realign the party lineup under Kim's leadership and prepare for the forthcoming general elections.

In a written resignation which was sent to convention chairman Hwang Myong-su, Kim said he hopes to resign because he feels heavy responsibility for the defeat.

In the Dec. 16 election, which marked the first direct presidential election in 16 years, Kim lost by nearly 2 million votes to No Tae-u of the ruling Democratic Justice Party. Since then he has faced sharp criticism, along with long-time opposition rival Kim Tae-chung, for splitting the opposition vote. Kim Tae-chung of the Party for Peace and Democracy placed third by about 200,000 votes behind Kim Yong-sam.

In announcing his decision at the party's executive policy council meeting Monday, Kim Yong-sam said he will bear full responsibility for his -456's defeat in the presidential election, adding that he will leave it up to the people and the RDP convention delegates about whether he should remain in the party leadership.

a numerical calculation of the voter turnout showed that a unified opposition candidate could have easily won the election because the two Kims garnered a combined majority vote of 55 percent, compared with No's 37 percent of the 23 million votes cast.

Daily Urges New Outlook, People on Political Scene

SK310033 Seoul THE KOREA HERALD in English
31 Dec 87 p 8

[Editorial: "Fresh Faces in Politics"]

[Text] Political parties and hosts of aspirants to elective office have begun preparing for the general elections to choose National Assemblymen. No date has been set but it is sure to come in the early part of 1988. Election of local legislative councils is also likely to take place next year.

The majority Democratic Justice Party has proposed negotiations be started to rewrite the laws required to set the electoral process in motion. The main opposition

parties, the Reunification Democratic Party and the Party for Peace and Democracy, are marking time as they busy themselves streamlining their party apparatus and mending their fences.

It is time that the storm of the tumultuous Dec. 16 presidential election be allowed to pass and calm prevail. This is possible, and the path to an early and efficient election of the legislature could be smoothed, if and when the still upset opposition parties stop piling allegations of election fraud upon the government party.

Along with the timing, one formula for picking lawmakers and the size and the number of deputies for each district will have to be worked out in the near future at the National Assembly or through inter-party bargaining outside the legislative chamber. The vital and urgent task must be undertaken and finished soon.

The springtime of free and open politics ushered in by the June 29 declaration of liberalization by the DJP's No Tae-u and the subsequent presidential balloting are likely to tempt an unprecedented number of would-be politicians to run in the forthcoming election.

Regardless of the technical procedures of election, it is imperative that our future representatives present refreshing images and credible hopes for a better tomorrow commensurate with the sophisticated political openness and maturity this Republic has achieved.

Although the experience of some established professional politicians is not to be discounted, the people clearly want to see many old-timers with dubious reputations and tainted backgrounds give way to new faces: not necessarily younger, but of enlightened outlook and of untested but vast potential.

All political parties are crying out for self-reform through internal cleansing and replenishment of both personnel and policies. In the course of selecting party nominees, such anachronistic considerations of pedigree and territorial or school ties should be left out of account. Intra-party democracy is an element they need now.

The next election ought to breathe fresh air into our stagnant political arena, invigorating it with fair play and a greater responsiveness to popular demands.

RDP Shuffles, Returns Key Post Holders
SK080209 Seoul THE KOREA TIMES in English
8 Jan 88 p 2

[Text] Reunification Democratic Party president Kim Yong-sam appointed Rep. Kim Wan-tae as the chief policy maker in a reshuffle of party posts yesterday, retaining other key officers including secretary general Paq Chong-yol and floor leader Kim Hyon-kyu.

Other retained officers are spokesman Rep. Kim Tae-yong, deputy secretary general Rep. Myong Hwa-sop and human rights committee chairman Rep. Mok Yo-sang.

The RDP president picked up Rep. Kim Tong-kyu as his chief secretary, replacing Kim Tok-yong who tendered his resignation after the presidential election.

Party president Kim appointed his former chief secretary as his advisor for political affairs. Kim Tok-yong has assisted the party leader for more than 16 years.

The re-appointment of Kim Hyun-kyu as the party whip was unanimously endorsed in a party caucus in the afternoon.

The new party charter provides that the nomination of the whip by the party president will go through the endorsement of the party caucus.

Kim conducted the party reshuffle in preparation for the forthcoming parliamentary elections after being retained as the party head in a vote of confidence in the party convention Wednesday.

A senior aide to party president Kim said that the retention of the floor leader was inevitable in the face of the inter-party negotiation on the revision of Parliamentary Election Law.

The RDP whip said, "The ruling Democratic Justice Party is seeking to advance the parliamentary elections in order not to allow sufficient time to opposition parties.

Then Rep. Kim denounced the DJP-proposed parliamentary election system in which one to three lawmakers are to be elected in each district in accordance with the size of population as a new kind of "gerrymandering."

As to an extra National Assembly session the DJP seeks to convene next week, the RDP whip said that his party will agree to the convocation of the extra session, after reaching an agreement on the parliamentary election system.

The RDP whip appointed as his deputies Reps. Kim Chong-su, Pak Wang-sik, Song Chon-yong, Kim Tong-chu, and Pan Hyong-sik.

Before announcing the new line-up in his first meeting with newly-elected vice presidents in the morning, party president Kim consulted with them on the projected party reshuffle.

Two vice-presidents including Kim Sang-hyon called for a major reshuffle of key posts including the secretary general and floor leader "to show the refreshed image of the opposition party following the party convention."

"Many appraise positively the recent reform moves through the national convention but others regard them as just cosmetic gestures," Kim Sang-hyon said.

"Therefore, the party reshuffle should be conducted in such a way as to prove the party president's determination to reform the party," said the vice president.

RDP Convention Termed Chance for Reform
SK060313 Seoul THE KOREA TIMES in English
6 Jan 88 p 2

[Text] An extra national convention of the Reunification Democratic Party today is expected to provide a chance for the reform of the opposition party in the face of parliamentary elections.

The national convention to be held at the annex building of the Sejong Cultural Center was originally designed by party president Kim Yong-sam to maintain his leadership through a vote of confidence.

Kim is expected to be re-nominated as the party leader through secret balloting without being contested in the national convention.

But several vice party presidents will be elected through a competitive vote in the party convention.

For that purpose, a six-member preparation committee decided Monday afternoon to revise the party charter in the national convention.

The decision was abruptly made in accordance with the instruction of party president Kim who was staying in Cheju Island for his New Year vacation.

The party head had been reported of a joint move of some senior members calling for the internal reform of the opposition party on the occasion of the party convention.

Kim instantly instructed the preparatory committee to work on the revision of the party charter and regulations.

In a telephone conversation with secretary general Pak Chong-yul, the RDP president recalled that he had expressed his intention to drastically reform the party through the election of the vice presidents by a vote instead of appointment by the party head.

Meanwhile, three vice presidents who have acted as senior aides to party president Kim yesterday vowed not to seek the vice presidency in the party convention.

Reps. Pak Yong-man, Kim Tong-young, and Choe Kyong-u said in their joint statement that they made the decision to make room for more capable figures to advance into the higher echelons of the party.

Such an action of the three key aides to Kim was seen as a political gesture to offer themselves as "scapegoats" and save their boss from blame for the failure in the presidential election.

Rep. Kim and Choe separately met with their boss at a hotel in Cheju City to discuss their political moves.

As the three incumbent vice presidents gave up reelection, some senior members of the non-mainstreamer group are expected to seek the vice presidency in the convention.

They are Kim Sang-hyon and Kim Su-han who are currently vice presidents, Kim Chang-kun, Reps. Pak Il, Song Won-yong, Hwang Nak-chu, Kim Chae-kwang and Yi Ki-taek.

Opposition Camp Demands RDP-PPD Merger
SK190141 Seoul THE KOREA HERALD in English
19 Jan 88 p 2

[By staff reporter Yi Song-yol]

[Text] Fervent voices are heard in the opposition camp demanding the reunion of the Reunification Democratic Party and the Party for Peace and Democracy [PPD], but the prospects for a merger before the coming general election are dim.

Following the opposition defeat in the Dec. 16 presidential election, not a few opposition lawmakers and members of chaeya (extraparlament opposition groups) are calling for the reunion of the two parties to avoid another opposition defeat.

Well aware of the need for a merger, the RDP led by Kim Yong-sam yesterday called for the PPD to disband itself and its lawmakers to "return home."

The RDP also proposes that "chaeya" members join it, thus leading to a united opposition.

Recently, Kim Yong-sam met in private with several PPD lawmakers, including No Sung-hwan, Chang Ki-uk, Kim Hyon-su and Kim Sung-sik to persuade them to return to the RDP.

RDP secretary general Pak Chong-yul and other ranking party officials also met with some PPD lawmakers for the same purpose, promising to supply them with money for the coming general election if they run under the RDP banner.

A RDP vice president yesterday said "not a few" PPD lawmakers will soon bolt to join the RDP.

However the RDP which has 51 parliamentary seats is opposed to a party-to-party merger with the 29-seat PPD.

The RDP claims that Kim Tae-chung and his PPD are "more responsible:" for the opposition split and also for the defeat in the presidential race.

Kim Yong-sam seems to be thinking that this is a good chance to weaken the political power base of Kim Tae-chung and his faction.

To Kim Tae-chung, the past three or four weeks have been a nightmare, pressured from outside and within to withdraw to help reunite the opposition parties.

The PPD seems to be collapsing slowly as several party lawmakers explicitly called for merger with the RDP and some have even threatened to bolt.

Especially, those PPD lawmakers whose constituencies are not in the Cholla province are worried that they are unlikely to be reelected if they run under the PPD flag.

Reps. Yu Chae-yon and Kim Hyon-su last week resigned their party posts and seven senior lawmakers vowed to seek opposition unity.

Amid the pressures, Kim Tae-chung last Saturday said he would withdraw from the party leadership if the RDP, PPD and "chaeya" are united.

But Kim's remarks were construed as a temporary step to escape from the mounting pressure and denunciations against him and give scores of pro-PPD "chaeya" members a reason to join the PPD.

Some opposition sources said Kim should withdraw to help encourage the opposition reunion, because the reunion will be difficult as long as the two Kims head the RDP and the PPD.

Five independent lawmakers, who last December deserted the two parties demanding the two Kims' unity, are calling for the two Kims retire from politics for the sake of the opposition reunion.

They have denounced both Kims for the defeat in the presidential election and are seeking to form a new party.

The five are all expected to run in Seoul in the coming election. They are Reps. Pak Chan-chong, Hong Sa-tok, Cho Sun-hyong, Yi Chol and Ho Kyong-ku.

The "chaeya" forces, divided into three groups, are also calling for opposition unity.

A "chaeya" group, represented by some 50 leading members, plans to join the PPD. While another group is moving to launch a national movement to unite the opposition merger in a mutual stance. The latter group, led by Kye Hun-che, the Rev. Pak Hyong-kyu and Kim Tong-wan, calls for disbandment of the PPD and the two Kims' retirement from politics.

But the proposed merger of the RDP and the PPD, and withdrawal of the two Kims are not likely soon, as the two Kims are still influential in the opposition.

If many of the PPD lawmakers join the RDP and the latter wins a majority in the National Assembly after the coming election, then the opposition might be led mainly by Kim Yong-sam.

If not, the opposition will be divided into four or five groups, necessitating the advent of new leaders with fresh ideas.

A third "chaeya" group, led by Ye Chun-ho and Che Chung-ku, is moving in that direction by forming its own political party.

In any case the opposition is expected to suffer for the time being from internal conflicts surrounding the issue of reshaping itself pending the general election.

Dissident Group Promotes Opposition Alliance, Unity

SK170102 Seoul THE KOREA TIMES in English
17 Jan 88 p 2

[Text] A dissident group promoting an opposition alliance yesterday called for an "unconditional merger" by the Reunification Democratic Party and the Party for Peace and Democracy [PPD] led by Kim Yong-sam and Kim Tae-chung respectively.

"The opposition split before the Dec. 16 presidential election was nothing but a scheme to make a fait accompli of the simultaneous candidacy sought by the two Kims, an action which later turned out to be a great mistake," the embryonic "National Council for Democracy" led by Kye Hun-che and Pak Hyong-kyu said in a statement.

"Therefore," it claimed, "the PPD should voluntarily dissolve itself immediately so that a new unified conservative opposition party may be rebuilt."

Outlining four principles for the opposition alliance, the dissident figures called upon the two Kims to take responsibility for their failure to single out one candidate for the presidential election, a failure which gave victory to the government party.

The statement went on, "The projected unified opposition party should not allow authoritarian leadership by the two Kims again and it should be managed in a genuinely democratic way."

Those who played a key role in the opposition split and in worsening the relationship between the two Kims should not be allowed to join the new unified opposition party, unless they repent of their wrongdoings, it claimed.

In promoting the alliance between the existing opposition parties and young groups seeking to form their own parties, as many young elite figures as possible should be recruited to freshen up the image of the party, the statement said.

The dissident group then called for the immediate holding of a conference to discuss forming a united front of "all democratic forces" before the parliamentary elections.

Six junior lawmakers yesterday founded a body to promote the integration of the divided opposition.

In seeking to form a united opposition party, they adopted three principles.

First, the Reunification Democratic Party, the Party for Peace and Democracy and all dissident groups should be united.

Second, Kim Yong-sam and Kim Tae-chung should retreat from the active leadership or retire from politics.

Third, the united opposition party must represent the entire nation and not represent specific regions.

The six are Pak Chan-chong, Hong Sa7tok, Yi Chol, Ho Kyong-ku and Chong Sun-hyong, who are all independents, and Rep. Chang Ki-uk from the Party for Peace and Democracy.

Fifty-three dissident figures Friday proposed the integration of all opposition forces.

They said in a statement that "the alliance of all democratic forces, opposition parties and dissident figures, is necessary to form a national party."

"We are particularly opposed to the scheme of 'grand conservative alliance' attempted by the ruling party to rule the nation by dividing the opposition force," they said.

Most of the signatories of the statement were pro-Kim Tae-chung dissidents, who promote the president of the Party for Peace and Democracy as the only presidential candidate representing the opposition force.

RDP Changes Position on Constituency Size

Seeking 'Equal Value of Votes'

SK140143 Seoul THE KOREA TIMES in English
14 Jan 88 p 1

[Text] The opposition Reunification Democratic Party, changing its earlier position favoring the small district system, yesterday adopted a medium-size constituency system under which two or more lawmakers are to be elected from each district.

The abrupt change of the party position was made after a serious debate in a party caucus and an Executive Council meeting.

RDP spokesman Kim Tae-yong announced after the Council meeting, "Our party has decided to seek the adoption of medium-size districts for the upcoming general elections in which two or more lawmakers are elected from each district in proportion to the size of population."

The RDP spokesman claimed, however, that the current parliamentary district each electing two lawmakers should be modified in order to ensure the equal value of votes.

According to a senior member of the RDP drafting committee for the revision of the Parliamentary Election Law, districts with over 600,000 residents in special cities will elect three or more lawmakers.

The shift of the party position means the compromise of RDP president Kim Yong-sam to the demands of most incumbent lawmakers of the party for whom the multiple-election system offers a greater chance of success.

The RDP president has thus far shown his determination to seek the small constituency system in which one lawmaker is elected from each district.

But almost all the incumbent lawmakers called for the adoption of the medium-size district system, raising a strong objection to the small constituency in a joint meeting with Executive Council members at the Diplomatic Club restaurant.

In a full session on the parliamentary electoral system, only Rep. Han Sok-pong, who was elected under the proportional representation system, favored the small district system.

The RDP lawmakers shared the view that the opposition cannot become the major opposition party under the small constituency system because of the division of the opposition force.

DJP, PPD Suspicious of Change

SK140149 Seoul THE KOREA TIMES in English
14 Jan 88 p 2

[Text] The Reunification Democratic Party is drawing suspicion from both the ruling Democratic Justice Party and the Party for Peace and Democracy [PPD] for its sudden turnaround to the medium-size constituency system from the small district formula.

The ruling camp said yesterday it was difficult to understand the sudden U-turn of Kim Yong-sam's party in the parliamentary constituency system.

It added that the governing party would push its "mixed constituency system" under which one-to-four lawmakers are elected in each district depending on the size of the population through the inter-party negotiations.

Kim Tae-chung's PPD commented yesterday that the RDP'S shift to the medium-size constituency system indicates that the RDP has no intention to make a united front with the other opposition party in the parliamentary election.

The PPD will stick to the small constituency system under which one lawmaker is picked in each district.

The PPD also criticized the RDP for calling for the selection of one-fourths of all lawmakers under the proportional representation system.

Even the ruling camp is seeking to scale down the number of lawmakers under the proportional representation system to one-fifths of all district lawmakers from the current one-thirds quota, it pointed out.

Amendment Draft Called 'Abrupt Turnaround'

SK190135 Seoul THE KOREA TIMES in English
19 Jan 88 p 2

[Text] The opposition Reunification Democratic Party yesterday adopted an amendment draft to the Parliamentary Election Law calling for a medium-size district system under which two to four lawmakers are to be elected from each constituency depending upon the size of population.

The RDP, which had favored the small district system, made an abrupt turnaround recently to espouse the medium-size district which many party members believe offers more chance to them of retaining the status as the largest opposition group.

Election districts with a population ranging from 150,000 to 300,000 will each elect two lawmakers, according to the RDP amendment draft.

Each district with a population of 450,000 to 650,000 will elect three lawmakers and those with more than 650,000 will elect four.

There will be no district electing one lawmaker as smaller administration units will be integrated with one nearby electoral district.

Under the RDP amendment, most of the parliamentary districts will elect two lawmakers as according to current law.

But, total number of districts will be 110, compared with 92 under the current law, and 253 lawmakers will be elected from these local constituencies.

The number of lawmakers to be elected under the proportional representation system will be 85, or a third of the total number of National Assemblymen.

The RDP draft provides that absent voting will be conducted under the supervision of watchers recommended by the political parties to prevent election frauds.

Bipartisan Talks Expected To Decide Election

Date

SK060051 Seoul THE KOREA TIMES in English
7 Jan 88 p 8

[Editorial: "Talks on House Elections"]

[Text] Political parties are expected to start formal talks probably next week to decide on the date of the forthcoming parliamentary elections. They are likely to bring to the negotiation table different positions concerning the election date with the ruling party favoring February and the opposition camp April.

The discord is not new. During the course of the bipartisan talks on the new Constitution, the ruling Democratic Justice Party and its counterpart, the Reunification Democratic Party, took the same position.

Unable to resolve the issue, they reached the tacit agreement that the Assembly election would be held at a date to be decided by the party that won the presidential election. In accordance with that agreement, a February election, as has been requested by the ruling party, is quite in order.

The ruling party underscored the need for the early election ostensibly because of the tight national schedule highlighted by elections for local autonomy councils and preparations for the Seoul Olympic Games. But it is suspected that there are some partisan considerations of election strategy involved, with the party seeking to capitalize on the advantage given it by the triumphant presidential election.

The opposition camp, now badly divided in the aftermath of the presidential election defeat, needs more time to realign itself and rally for the upcoming elections. The major opposition RDP and second opposition the Party for Peace and Democracy have yet to build new party structures to allow them to wage another contest with the majority party.

The opposition camp, on the other hand, has little logic to back up its continued demand for an April election. The old bipartisan accord should be respected in acceptance of the present realities which it is faced with.

The opposition parties are urged to speed the reshaping of the dismantled party rank and file now in disarray by putting the lid on factional bickering. Protracted intraparty feuds will do harm to not only the opposition forces but also political stability itself.

Although the general public may need a respite from politics following the recent presidential election, the government as well as the parties have no alternative but to spend much money and energy in the course of the election campaigns which many people are already weary of.

Effectively utilizing the time for party realignment and choice of parliamentary candidates, the period for electioneering should be adjusted in an agreement between the rival camps. A compromise plan is to hold the election sometime in March, that is, halfway between February and April.

The government party tactic of attempting to sweep the Assembly elections, riding on the bandwagon of the previous election, runs counter to political ethics. A mature democracy rests with bipartisan dialogue and compromise that presupposes a liberal ruling party and strong opposition party.

Opposition Solons Discuss Single Candidates in Election

SK060307 Seoul THE KOREA TIMES in English
6 Jan 88 p 2

[Text] A group of opposition lawmakers are talking about thence to field a single parliamentary candidate for each district in the upcoming general elections to ensure victory.

They recalled the painful experience that the opposition camp could not win the presidential election as both Kim Yong-sam and Kim Tae-chung ran against each other.

Ruling party candidate No Tae-u won the election with 36.6 percent ballots cast while the two Kims garnered a combined total of 54 percent.

It does not matter whether the new parliamentary election law adopts either the small or large constituency system. The opposition defeat is assured as long as the divided opposition parties field separate candidates, they said.

Yi Chung-chae, chief vice president of the Party for Peace and Democracy [PPD], told reporters privately that the opposition union is the most urgent task in 1988.

The Reunification Democratic Party and the Party for Peace and Democracy must join hands with all dissident groups to form a united front in the upcoming election so that the opposition can win the majority, Yi said.

As a step to unify the divided opposition he said, the RDP and the PPD must first agree to field a single candidate for each district.

He suggested that the PPD, strong in the Cholla province, field its candidates while refraining from posting candidates in the Kyongsang region.

The RDP may refrain from nominating its candidates in the Cholla region while posting candidates in the Kyongsang area.

He hinted that the two parties may, however, put their respective candidates in such neutral constituencies as Seoul and the central provinces.

The united front in the opposition camp will ensure victory in the upcoming election and will set the stage for ultimate opposition integration, Yi said.

He opined that the two parties can merge in a gradual and cautious manner after the election.

His suggestion got significant support among silent junior oppositionists and lawmakers but there is a slim chance that the two former presidential candidates Kim Yong-sam and Kim Tae-chung will support the move.

Kim Yong-sam has said that the RDP should become the central force in integrating the divided opposition.

Kim Yong-sam has said that the RDP should become the central force in integrating the divided opposition.

Kim Tae-chung has made it clear that his party will field candidates for every district in the upcoming general elections. He emphasized that the PPD is different from any other opposition party including the RDP in party line and platforms.

Instead of seeking the united front, the two Kims have already launched offensives to clinch hegemony in the divided opposition.

Advocates of the single parliamentary candidates believe that democratic people will show moral sympathy toward the opposition only if and when the divided opposition camps show the sign of unity and cooperation.

Even the opposition voters in the presidential election are likely to turn their back if the opposition is divided in the upcoming general election, analysts said.

Pressure on Two Kims To Integrate Parties Discussed

SK090017 Seoul *THE KOREA TIMES* in English
9 Jan 88 p 2

[Text] Kim Yong-sam and Kim Tae-chung are under growing pressure to integrate the two major opposition parties to ensure opposition survival in the upcoming parliamentary election.

A number of lawmakers in Kim Yong-sam's Reunification Democratic Party and Kim Tae-chung's Party for Peace and Democracy began, publicly and privately calling for a merger of the two opposition parties and the fielding of single opposition parliamentary candidates.

Those lawmakers calling for the opposition unity are from non-Cholla constituencies in the PD and non-Kyongsang area in the RDP.

In Meeting Thursday with Kim Tae-chung, most of PPD lawmakers from the non-Cholla provinces did not hesitate to express their advocacy for the merger of the Kim Yong-sam's RDP.

They were Reps. Kim Hyon-su, Kim Song-sik, Chang Ki-uk, Yi Chung-chae and others, all from the regions outside of Kim Tae-chung's political stronghold in the southwestern provinces.

Five junior lawmakers led by Pak Chan-chong who remain outside the two parties even moved one step further by suggesting that a consultative body be set up soon to smooth the merger of the RDP and the PPD.

Many of RDP lawmakers whose constituencies are outside the Kyongsang region, Kim Yong-sam's political power-house, are also said to be feeling the urgent need to unify the opposition before the upcoming election.

But RDP president Kim Yong-sam insists that the RDP should become the central force in integrating the divided opposition, thus shutting down any possibility for a party-to-party opposition integration through negotiation and compromise.

He, who won the second place in the presidential election, yesterday expressed his confidence that his party can win the majority even without a merger with the PPD.

At the same time, PPD president Kim Tae-chung shows skepticism over the unification of the opposition force and instead he is holding a series of contacts with prominent figures outside the party to recruit them.

The PPD chief said his party is quite different from other opposition parties in platforms and policies.

In a meeting with PPD lawmakers and senior figures Thursday, he urged members to offer practical "ways to unify the opposition," complaining that "pro-integrationists" are just talking about the need to unify the opposition without specifying any clear-cut solution or method.

Political observers believe that more and more opposition figures will raise their voices calling for the unification of the divided opposition when the election schedule is settled.

However, as long as the two Kims stay in power in the two parties, there is little possibility for any dramatic unifying of the divided opposition, they said.

Political Future of Two Kims Examined

41070025 Seoul *TONG-A ILBO* in Korean
22 Dec 87 p 13

[From the "Today and Tomorrow" column written by the editorial staff's Kang Song-chae: "Loss of Election and Two Kims Positions"]

[Text] In less than half a month since the special announcement on "29 June," the 12 July issue of the WASHINGTON POST surprisingly published an article under the title of "The Two Kims May Be Defeated If Both Run."

This article, which was written at the time when the two Kims' independent run for the presidency was inconceivable, disappointed many intellectuals who had been yearning for democratization. I remember that it even created suspicion that the United States intentionally wrote the article [warning the two Kims].

Six months after that article appeared in the POST, however, as the article correctly predicted, the two Kims, who independently ran for the presidency, lost their battle in the "16 December presidential election." Although there are arguments insinuating election fraud, it seems difficult for them to overcome their defeat unless a nationwide large-scale fraud like the one from the "15 March election" in 1960 is revealed.

The reason why a foreign newspaper was able to write such an article at the time when the unified run from the two Kims was considered an absolute order [from the people] seems to be that they knew so well the two Kims' personalities which were more attuned to power than to the people's freedom.

In retrospect today, when the two Kims' egotism and lust for power have been clearly proven, the article was friendly advice to the two Kims.

In any event, some of the opposition circle members are carefully considering the problem of the two Kims' future with respect to their responsibility for their defeat due to their failure to "unite," which even the foreign

newspaper had warned about earlier. Many voters who ardently wished for either one of the two Kims' victory are openly denouncing them. There seem to be many people who criticize the two Kims [on their failure to unite] even if they voted for No Tae-u of the Democratic Justice Party (DJP).

I would like to emphasize that the two Kims' future course of action should be based on the degree of the people's support.

An analysis of the propensity of the voters who voted for either one of the two Kims seems to show the following three groups. One group consists of those who voted reluctantly since they considered the termination of the military rule as the foremost immediate goal, although they harbor some suspicion about the two Kims' personalities and their abilities to take over power. Another group consists of those who think the two Kims have enough experience and capability to handle national affairs, and who believe in democracy, and have persistently struggled against dictatorship. The third group is made up of those who voted based on regionalism, school relationship, kinship, personal interests, and were drawn by their youthful appearance, appearing to be in their early fifties (these were mostly women voters).

Many people, of course, might have voted for the two Kims since they thought the two Kims were qualified on two or three counts such as "The two Kims have administrative capability and can put an end to military rule," or "They are capable persons in addition to" the regional bias of voters. If we scrutinize the most conspicuous motivations for voting for the two Kims, however, we can categorize the above three groups.

The first group who chose the two Kims as a means to terminate the military rule might have cursed and turned away when they were defeated.

The second group might have also withdrawn their support for the two Kims or become pessimistic. This could be because the reason why the second group chose the two Kims was that they thought other people would also vote for them based on their political capability, which is the most objective standard, and thus the result would be termination of the military rule.

Lastly, those who voted for the two Kims based on irrational grounds such as regionalism will continue to support them regardless of their defeat. This is because their support is based on blind allegiance.

The Reunification Democratic Party (RDP) candidate Kim Yong-sam, who is from South Kyongsang Province, got 2.57 million votes in total from Pusan city (55.1 percent), all of South Kyongsang Province (50.2 percent) and North Kyongsang Province (27.5 percent). This amounts to 40 percent of the 28 percent total nationwide that he won. The Peoples Democratic Party (PDP)

candidate, Kim Tae-chung, who is from Cholla Province, accomplished a sweeping victory in this region by getting 2.61 million votes in total from Kwangju city (93.4 percent), South Cholla Province (87.9 percent), and North Cholla Province (80.9 percent). This amounts to 43 percent of the 27 percent that he won nationwide.

Furthermore, the two Kims, especially Kim Tae-chung, are known to have received tens of millions of won in political contributions everyday from various circles toward the end of the election campaign. It is expected that these contributors being psychologically motivated will continue to support the two Kims, almost regardless of their political situation.

Judging from this, in spite of their political scars from the defeat, the two Kims still have a significant basis support mainly from their home regions of Cholla and Kyongsang Provinces although to a lesser degree than in the preelection period.

The two Kims who are very confident of their regional support will not budge an inch even if somebody should suggest again that they retire and go "fishing." [Professor Kim Tong-kil of Yonsei University originally wrote a column criticizing the two Kims and suggesting that they retire and enjoy fishing.]

On the other hand, since the two Kims have survived the struggle through the thorny path of directly confronting power, while many senior politicians have reconciled themselves to the existing system, their stature is so great in the two opposition parties that it is unlikely that a new leader willing to challenge them will emerge for the time being.

Accordingly, the people's judgment of the two Kims, who committed a grave political mistake in failing to present a unified candidacy will be reflected in the general election scheduled for 1988.

Gandhi of India proclaimed that "A leader is made by his followers." If this is a wise saying which can be applied to the current status of our opposition parties, the two Kims must examine their support together with a critical look at self-reform.

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Major Parties General Elections Preparations Discussed

*SK050110 Seoul THE KOREA TIMES in English
5 Jan 88 p 1*

[Text] The ruling and opposition parties are readying themselves for general elections by shaking up top party offices and operating screening machines for nomination while engaging in negotiations on the timing of the elections and constituency systems.

They will convene an extraordinary National Assembly session early next week to handle the revision of the Parliamentary Election Law.

The floor leaders will have a formal preliminary meeting later this week for the discussion on the amendment and the parliamentary session.

DJP floor leader Yi Tae-sun, concurrently Assembly Steering Committee chairman, said, "We intend to call the House next Monday to deal with this urgent issue, among others. I have understood through informal meetings that the opposition will agree with us."

The Home Committee will take up the election law revision during a one-week session without creating any special negotiating body, he said.

Yet such crucial questions as the timing and the numbers of constituencies and lawmakers will be decided on through behind-the-scene contacts between the floor leaders or the secretaries general, observers said.

It is highly probable to hold the general elections in the middle of February so that president-elect No Tae-u takes the oath of office before a new legislature as the DJP and Kim Chong-pil's New Democratic Republican Party [NDRP] insist.

In return, a small constituency system favored by Kim Yong-sam's Reunification Democratic Party and Kim Tae-chung's Party for Peace and Democracy [PPD] is likely to be adopted, analysts said.

They, however, did not rule out the possibility that a modified medium-sized constituency system similar to the present one may be introduced because of strong preference by incumbent lawmakers in the opposition as well as the ruling camp.

The DJP began receiving applications for candidacy in the elections yesterday, the first open bid for its tickets.

It plans to finish nominations by Jan. 2 at the latest, one month before the election day it has tentatively scheduled. No will be inaugurated on Feb. 25.

The government party will revise the party constitution Thursday to revive the chairmanship to take charge of the day-to-day operation of the party machine following the party president's inauguration as the head of state.

It will launch the campaign headquarters, as in the presidential vote, to direct electioneering nationwide.

The RDP will hold an extraordinary national convention tomorrow to confirm the confidence of party members for Kim Yong-sam and refresh their morale in the face of general elections.

Kim tendered resignation as party president to Hwang Myong-su, chairman of the convention, last weekend.

If he wins confidence as expected, he will come up with a new lineup including Rep. Kim Chae-kwang and a leading dissident lawyer, Kim Myong-yun, as vice presidents.

Tiding over the depression from the failure in the Dec. 16 presidential election, it will fill vacancies in some local organizations and simultaneously screen applicants for their nomination.

A senior official said that the preparations for the elections would be completed by the end of this month.

Kim Tae-chung's PPD plans to hold a convention after the parliamentary elections but is believed to shake up the top hierarchy sooner or later.

All the eight vice presidents resigned en masse around the last year-end assuming responsibilities for the failure in the presidential election.

The party, launched just one month before the presidential poll, will set up local chapters in some areas that currently have no chairmen.

Most of the new chapter heads will be new recruits to show off "fresh images" of the party.

Those who participated in presidential campaigns for Kim Tae-chung as local campaign directors will be named as chapter heads with a few exceptions, a PPD will display its "clear-cut opposition line" as a key campaign theme with which it hopes to become the largest opposition party.

Opposition Parties Urged To Make 'Genuine Change'

SK081051 Seoul CHOSON ILBO in Korean
7 Jan 88 p 2

[Editorial: "Beautification by Opposition Parties"]

[Text] Opposition parties are struggling and writhing to improve their constitution in their own unique way. By holding a national convention on 6 January, the RDP struggled to ready itself for the general election. The Party for Peace and Democracy [PPD], as well, is now probing ways to reorganize its leadership to make it a collective leadership for reasonable management of the party.

This notwithstanding, they seem to have effected little change, sorry to say. It is also unfortunate for the politics of our country. To be a little more crudely frank, they have done nothing but beautification to make themselves appear to have changed, at least superficially, with their true colors remaining essentially the same.

First, let us look at the RDP. In terms of personality, the same old president and the same old vice presidents, that is to say, the same old president was again voted to lead the party, with a few new faces, who are not much difference from the old ones who were close to the president when it comes to how they are positioned around him as vice presidents, to replace old faces. There was not a trace in the new party lineup that can be interpreted as an expression of the will to seize power in the 1990's. All right, if this is too heavy a requirement or burden, we suggest that the party show a clear-cut indication to meet the people's hope that it will put up a brave fight in the upcoming general election. There was no such thing in the party's new organization.

Well, the PPD seems to be discussing a collective leadership. Unfortunately, the party's move appears to be less for dividing President Kim Tae-chung's leadership and power for others to share, and more for breaking up his responsibility, or at least a gesture aimed at ushering in off-stage opposition figures. If this turns out to be true, the PPD's act seems unlikely to lead to any genuine change.

Frankly speaking, the opposition parties' problems stem not from their leadership structure or the personality of their leaders. Many people commonly see the opposition problem in the two opposition presidents' self-centered and near conceited authoritarian reign over the parties more problematic. At this juncture, we find it meaningless to argue who is more responsible for the opposition failure to win the presidential election and what was the cause.

What we urgently need at this moment is to conduct the upcoming general election democratically and what must be done to chart a democratic course according to the outcome of the general election. Toward this end, the opposition parties should take pains to be born again concerning the general election and we believe that there must be fundamental change in the brain structure of the opposition parties.

Following this view, the changes being effected or planned in the opposition parties should be called into question as to whether or not they are preconditioned on changes in the way of thinking on the part of the two leaders. We do not mean to depreciate the risk one of the two opposition leaders took in asking for a vote of confidence, but nevertheless we urge the RDP to ask itself whether or not such a thing and a few new vice presidents are effective enough to communicate to the people the image of a born-again RDP.

Also, the PPD should ask itself whether the collective leadership structure, which the party is believed to be studying, is practical enough to send message to the people to show that it has new faith, new courage, and a new image and to ask for their continued support.

Simply put, it is melancholy that fills our mind when we watch the moves made by the opposition parties. While the opposition remains essentially the same, the opposition is becoming stronger by pledging changes, indicating what kind of hardship is in store for us in the future under the one-sided political situation. Although there are ways to be born again, the opposition parties seem to be faking the effecting of changes.

Consultations Underway for Chon Talks With Opposition

*SK100116 Seoul THE KOREA TIMES in English
10 Jan 88 p 1*

[Text] Talks between President Chon Tu-hwan and the leaders of the three major opposition parties are likely to be held this week.

The projected talks will be held separately with Kim Tae-chung of the Party for Peace and Democracy (PPD), Kim Yong-sam of the Reunification Democratic Party (RDP), and Kim Chong-pil of the new Democratic Republican party (NDRP), probably beginning early this week.

Chongwadae authorities are holding last-minute consultations with the three parties to set the exact dates for the three rounds of talks.

Reliable sources said the talks might begin tomorrow or Tuesday at the earliest starting with Chon-Kim Tae-chung meeting.

Sources at the three parties said their parties were officially notified of the presidential proposal yesterday and accepted the offer.

If realized, President Chon's talks with the three opposition leaders who were powerful candidates in the Dec. 16 presidential election, may offer a momentous occasion to help break the current political deadlock, obviously brought forth by the partisan feud caused in the course of electioneering campaign, political sources observed.

The talks between President Chon and Kim Tae-chung draws particular attention from the public in that it will be the first official face to face meeting in the whole of their careers.

RDP's Kim Yong-sam met President Chon on June 24 this year at Chongwadae to discuss ways to tackle the political crisis, triggered by violent anti-demonstrations by students and citizens.

NDRP's Kim Chong-pil exchanged greetings with President Chon at a New Year's celebration, sponsored by the Korea Chamber of Commerce and Industry (KCCI), at the Hotel Shilla last week.

For the Chon-Kim Tae-chung meeting, Rep. Yu Chun-sang of the PPD, a close aide to Kim, had a preliminary contact with presidential secretary general Kim Yun-hwan and suggested that the talks be held tomorrow. But, Kim proposed Tuesday as the date of the talks.

Consultations are still going on to set the exact date for the Chon-Kim meeting, which will be the first of Chon's projected meetings with the opposition leaders.

Chief presidential secretary Kim told reporters that there would be an exchange of frank opinions between the Chief Executive and the opposition leaders in order to promote national harmony.

But, he said the talks were not "political talks" to seek any political consensus in that there were no specific major agenda items to be tackled between the outgoing president and the opposition leaders.

The Chief executive is expected to strongly plead with the opposition leaders to closely cooperate in the new government's efforts to promote national reconciliation and land unity among the people, which were deemed undermined by the emergence of serious regional antagonisms during the election campaign period.

Meanwhile, the PPD has held a series of sessions of key post-holders to work out strategies in preparation for the talks with President Chon.

Kim Tae-chung is expected to ask for the release of all persons detained for political reasons, along with the restoration of their civil rights.

He is also likely to call for the formation of an ad hoc body at the national Assembly to probe into the possible frauds presumed to have been perpetrated in the Dec. 16 presidential election and the presentation of the ruling camp's blue prints to practically heal the wounds of victims in the bloody military suppression of Kwangju citizens in 1980.

PPC officials were of the view that it was desirable for their leader Kim Tae-chung to meet with President Chon to fundamentally solve the Kwangju incident.

They also said that the PPD decided to accept President Chon's proposal out of judgement that the meeting with the incumbent president will surely help work out an effective institutional apparatus to prevent frauds in the coming parliamentary elections.

Daily Supports Chon Talks With Opposition Leaders

*SK100136 Seoul THE KOREA TIMES in English
10 Jan 88 p 8*

[Editorial: "Chon-Opposition Meetings"]

[Text] In this transitional period of government power transfer, President Chon Tu-hwan's proposal for talks with leaders of the political parties is timely and appropriate.

Chon's overture naturally received a positive response from the invitees Kim Yong-sam of the major opposition Reunification Democratic Party, Kim Tae-chung of the Party for Peace and Democracy and Kim Chong-pil of the New Democratic Republican Party. The three opposition leaders are united by the fact that they were unsuccessful candidates in the December 16 presidential election.

President Chon and Kim Yong-sam had a lengthy meeting last summer to discuss crucial political issues involving the constitutional revision. But the proposed meeting with Kim Tae-chung, if it materializes, will be the first in their lives.

Kim Tae-chung has time and again demanded talks with the President but his requests have not been accepted mainly because of political reasons. Differences in their views and positions have prevented them from any mutual accommodation.

Now the situation has changed remarkably with the smooth running of the much-disputed presidential election, the results of which have been generally accepted as fair and just, though short of fully satisfying the ill-fated opposition forces.

The invited opposition leaders may have the chance to bring attention to their grievances concerning the presidential election, which they alleged was totally rigged by the government and its party. The President may well give a positive ear to some of them, even taking some remedial steps though he is to quit his office on February 24.

But more important is the creation of friendship between the so-far estranged leaders so that they can serve best democracy and the people in a spirit of tolerance and reconciliation. Any complaints to be raised by the opposition leaders should be heeded in the organization of the forthcoming parliamentary elections.

In the transfer of government power, positive cooperation from the opposition camp, and the ruling party also, is necessary if there is to be established a tradition of peaceful power transition.

It cannot be denied that the projected shift of national leadership from President Chon to president-elect No Tae-u lays a milestone in the democratic development in this country.

We hope that the upcoming Chongwadae meetings will contribute to this development, in parallel with the proposed talks between No and Kim Yong-sam and other opposition leaders on the such pending issues as timing and procedures for the National Assembly elections.

Members Listed for Reform Committee

SK120111 Seoul THE KOREA TIMES in English
12 Jan 88 p 2

[Text] An ad hoc committee designed to promote democratic reforms and national reconciliation was formed yesterday to materialize No Tae-u's major campaign pledge.

The "democratization and reconciliation committee" will work out comprehensive measures on the problems of Kwangju and other issues to recommend to No, said Rep. Cho Il-mun, chairman of the preparatory committee.

"The new president will honor their recommendation," he observed.

Rep. Cho of the ruling Democratic Justice Party selected 52 members representing various walks of life for the "independent, suprapartisan" organization.

The number breaks down into six old-time politicians, five senior clergymen, five lawyers, two journalists, two scholars, one educator, three labor unionists two businessmen, two merchants, two scientists, two writers, a painter, two farmers, six former officials, three No feminist movement leaders and seven others.

They included Yi Kang-hun, 80, national independence fighter and now advisor to Kim Tae-chung's PPD [Party for Peace and Democracy— FBIS]; Yi Chong-hwan, 70, leader of the now-defunct New Democratic Party; Yi Hoe-chang, 53, former justice; and Yi Pyong-yong, 60, former president of the Korea Bar Association.

Among others are Ko Pyong-ik, 63, former president of Seoul National University; Sim Chong-sop, 70, president of the National Academy of Sciences; Archbishop Kim Ok-kyon 63; Chae Chong-hyon, 97, chairman of the Sunkyoung business group; and Pak Song-yong, 55, chairman of the Kumho business group.

Also on the list are Yi Han-pin, 66 former deputy prime minister; Pak Pyong-kwon, 67, former defense minister; Son In-sil, 70, former vice president of the National YWCA of Korea, and Kim Tong-in, 60, president of the Federation of Korean Trade Unions.

Pak Chan-pong, 62, head of an association of the bereaved families of the fatal victims in the May, 1980 Kwangju incident, joined in the committee, along with Pak Chae-ok, 47, leader of the injured in the bloody popular uprising.

Divided into three divisions for reconciliation of the people, democratic changes and social development, the members are to hold the first full-dress meeting Saturday and elect the chairman of the panel.

Their activity will focus on the reduction in the power of the presidential staff, beef-up of the prime minister's authority, eradication of authoritarian fashions and corruption in officialdom, and overthrow of conflicts among rival regions and social strata.

More efforts will be made to heal the scars of the Kwangju citizens' protest that claimed nearly 200 lives, Rep. Choe Pyong-yol said.

The committee will continue until the inauguration of the No administration on Feb. 25 in principle, based on a presidential decree which will be issued soon and involve various other steps for the transition of government.

If more time is needed, said Rep. Choe, who has prepared for the committee for about 25 days, it will operate "for a while" after Feb. 25.

The number of the committee members will rise to 58 as the RDX plans to nominate three lawmakers on condition the three key opposition parties each appoint one member for it.

The committee is expected to hammer out "drastic" steps for the implementation of No's campaign platforms including the re-investigation of scandals involving present government leaders because one reason for its setup is to borrow the "will of the people" in doing what would affect his personal relationships with them.

'News Analysis' Column on Planned Meetings

SK120127 Seoul THE KOREA HERALD in English
12 Jan 88 p 2

[By staff reporter Choe Nam-hyon from the "News Analysis" column: "Chon's Talks With Kims May Heal National Scars"]

[Text] A series of talks between the ruling camp and the opposition will take place this and next week. They may serve to heal the trauma of division articulated by the Dec. 16 presidential election.

President-elect No Tae-u is likely to meet with Kim Yong-sam, president of the Reunification Democratic Party, and Kim Chong-pil, president of the New Democratic Republican Party.

Kim Tae-chung, president of the Party for Peace and Democracy [PPD], who is lukewarm about talks with No, has accepted President Chon Tu-hwan's offer to meet next week. Chon also plans to meet with the two other Kims.

The talks between the ruling camp and the opposition may not proceed smoothly as opposition leaders are not relenting in accusing the government and the ruling Democratic Justice Party of "cheating in the election."

They demand the ruling camp apologize and discipline those responsible for "election fraud."

Presidential aides say Chon wishes to console the three Kims who lost in the election and ask them to promote harmony in politics.

The outgoing president, they say, wishes to initiate a forum for national reconciliation.

Chon's talks with Kim Tae-chung in particular seem to have a historical twist, considering Kim's arrest and the Kwangju incident in 1980.

The events of 1980 are expected to be a dominant issue of the talks between Chon and Kim who, the aides say, will not be restrained by an agenda fixed in advance.

Such pending political issues as the parliamentary election are not likely to be taken up at Chon's talks with opposition leaders.

Shortly after his election, No offered to meet with the three Kims, who won more than 60 percent of the popular vote.

By holding talks with Kim yong-sam and Kim Tae-chung, who vow to attack No over "election fraud," the president-elect may wish to blunt their offensive.

Apparently No wants opposition parties to accept his inauguration Feb. 25 tacitly if they are unable to congratulate him heartily.

No also needs cooperation from the opposition for the implementation of a political schedule, including a parliamentary election, and the hosting of the Olympics in September.

The ruling Democratic Justice Party plans to resolve the aftermath of the discordant presidential election and regional acrimony through No's talks with opposition party presidents.

In addition to the national harmony the ruling party is seeking, it is expected to lend an ear to opposition demands for the release of political prisoners and democratic reforms, including freedom of the press.

But the ruling party is balking at the opposition's demands that those responsible for election fraud should be dismissed and that the ruling camp should apologize.

The opposition parties, however, seem to have other motives in accepting the ruling camp's offer of high-level talks.

The RDP and the PPD may attempt to gain an upper hand in the divided opposition through talks with the government and the ruling party.

After having consolidated internal cohesion through a national convention, Kim Yong-sam of the RDP is willing to talk both with Chon and No.

Kim seems to believe that his party can gain edge over the PPD by eliciting concessions from President-elect No. The RDP says Kim's talks with Chon will be a matter of protocol rather than substance.

It may not be easy for the PPD, which wishes to draw many dissidents into its fold, to initiate talks with the ruling camp.

But PPD president Kim Tae-chung seems to believe that there is no problem in meeting with President Chon.

As a victim of the Kwangju incident, which took place in the process of launching the current Fifth Republic, Kim used to say he is the right person to seek healing of the scars.

To the PPD, Chon-Kim talks are a good opportunity to enhance its status by solving one of the nation's most thorny problems while keeping its image intact in the eyes of dissidents.

PPD Not Ready To Debate General Election
SK230229 Seoul THE KOREA TIMES in English
23 Dec 87 p 2

[Text] The Party for Peace and Democracy [PPD] is in no mood to debate the general election at this stage as it is still focusing its attention on identifying and revealing election frauds and abuses.

But indications are that the party will enter into negotiations with the ruling camp on the revision of the Parliamentary Election Law next month in preparation for participating in the general election.

The party held a meeting of its key post-holders yesterday and formed a general consensus to decide whether it should enter into negotiations with the ruling camp on the revision of the National Assemblymen Election Law.

The ruling camp should show a sincere attitude to heal the after-effect of the presidential election, which was marred by frauds and irregularities, PPD officials said.

The party will take a wait-and-see attitude for the time being as long as the ruling camp does not make efforts to "identify and investigate the election frauds."

For the time being, the party will engross itself in publishing a white paper highlighting election abuses and mal-practices.

The PPD, meanwhile, issued a warninx on its former spokesman Chong Tae-chol for "acts detrimental to party interests."

Monday, the former spokesman criticized Kim Tae-chung and Kim Yong-sam for failing to produce a single opposition candidate, thus leading to the defeat of the opposition in the presidential election.

Family, Relatives of No Tae-u Discussed
41070019 Seoul WOLGAN CHOSUN in Korean
Dec 87 pp 204-207

[Article by So Pyong-uk]

[Excerpt] "Group of Four" and Kum Chin-ho

No Tae-u's family is really solid. As he emerged as a star politician following his "29 June statement," his family background came to light to a certain degree. However, it has been more difficult for us to collect materials on his family background than on any other presidential candidate, perhaps because he is the helmsman of the party in power. Kim Chong-pil ranks second in the degree of difficulty we have had in collecting materials on his family background. Kim Yong-sam and Kim Tae-chung posed no difficulty because most of their family background is already known to the public.

The mention of No Tae-u's name reminds one of his brother in law, Kim Pok-tong, 54, president of the Mining Development Corporation. Kim was born to Mr Kim Yong-han (passed away in 1980) and his wife, Hong Kyong-mu, 80. Kim Pok-tong is the youngest of the three sons. He has two sisters. His father, Kim Yong-han, is said to have held the rank of captain when he was in the police. Kim Pok-tong, although 1 year junior to No Tae-u at Kyongbuk High School, was in the 11th graduating class of the Military Academy with No. While frequenting Kim Pok-tong's home, No got acquainted with Kim's sister, Ok-suk, and finally married her. Kim Ok-suk, 52, is a graduate of the Kyongbuk Girls' High School. She quit the Teachers' College of Kyongbuk University when she was a senior in the Home Economics Department. Kim Pok-tong was the focus of attention for a while as the man behind the "29 June statement." When the 12 December 1979 incident occurred, Kim was a deputy commander of the Xth Army Corps, a relatively leisurely post. Later Kim Pok-tong, President Chon Tu-hwan, No Tae-u, and Chong Ho-Yong were called "a Taegu group of four" of the 11th graduating class of the Military Academy.

Particularly, Chon Tu-hwan, No Tae-u, and Kim Pok-tong were, in addition to being the three musketeers whom President Pak viewed with favor, also the leaders of the 11th graduating class of the Military Academy.

Among the 11th graduating class, Kim was known as a bright student of high caliber, and people expected him to be "the future army chief of staff from among the 11th graduating class." However, he was placed on the reserve list when he was the commandant of the military academy.

In 1958, when he was a first lieutenant at the Kwangju Infantry School, Kim Pok-tong married Yim Kum-chu for love. Mrs Kim is 52 now. At that time, Mrs Kim was teaching at Hwasun Middle School. Because Mrs Kim hails from Kwangju, rumor has it that her husband was opposed to the use of force to quell the Kwangju uprising. The couple has four daughters. The eldest, Mi Hui was married to Hung-ku, the second son of Kang Song-chin, former president of Sambo Securities Co.

Kang Song-chin had been the godfather of the securities world of Korea for over 20 years and had long served as a financial consultant for politicians and other high ranking personages.

But in less than 2 months following the union of the two families in marriage, a misfortune befell them. The Office of the Prosecutor General launched a special investigation into Sambo Securities Co. After many turns and twists, the company was merged into Daewoo Securities. During this vortex, there were two opposing rumors. One said that "President Kang was able to escape criminal indictment thanks to his ties with the family of his daughter-in-law," and the other said that "He had to give up his company because of the family of his daughter-in-law." Mi-kyong, second daughter of Kim Pok-tong, was married to Chung-sam, third brother of Kim Chung-won, chairman of the Hanil Synthetic Fiber group. Kim Pok-tong is regarded as a good example of one who married his sisters and daughters into prominent families. His first sister, Ok-suk, is the wife of DJP presidential candidate No Tae-u, and his second sister Chong-suk is the wife of Kum Chin-ho, former minister of commerce and industry.

During a discussion meeting at Kwanhu Club some time ago, No Tae-u, recalling how he fell in love with Kim Ok-suk, said: "At the beginning, I visited Kim Pok-tong's home to see him, but later on I frequented his home to see his sister." Kim Ok-suk's younger sister, Kim Chong-suk, 50, was 2 years junior to her sister at Kyongbuk Girls' High School and graduated from the Pharmaceutical College of Ewha Women's University.

Kim Pok-tong's third daughter, Chi-su, is a sophomore at Ewha University, and the fourth and youngest daughter is a Hanyang University student.

When he was the minister of commerce and industry, ROK-U.S. trade relations deteriorated as the U.S. court upheld a high antidumping tariff on Korean albums and was reviewing the complaint concerning the dumping of Korean television sets. The opposition in the National Assembly submitted a no-confidence resolution against him. He is known as a "reasonable administrator," and attaching importance to human relations is said to be his philosophy.

Kum Chin-ho first met Kim Chong-suk when he was working in the People's Bank Andong Branch after graduating from the Law College of Seoul National

University. He had attended Taeryun High School in Taegu. Of their two children, the first son is studying economics in the United States, and the second son is enrolled in the Economics Department of Songgyungwan University. Kum Chin-ho is the husband of No Tae-u's younger sister, in other words, he is No's brother-in-law.

Kim Chin-tong, 60, elder brother of No Tae-u's wife, is currently the director of Chongno Institute in Taegu. He is a graduate of Kyesong High School and the Economics Department of Yongnam University. He successively worked as a primary school teacher and the chief of the Rate Section of the Korean Electric Power Company. He lives with his mother, Hong Mu-kyong. He and his wife Yi Un-hwa, 56, have four children. The eldest son, Sang-hyon, is currently working in the administrative section of the Olympic Organization Committee, after being placed on the reserve list as army captain. The second son, Chu-hyon, 29, is a construction engineer at Chonggu Housing Corporation. The third son, Chun-hyon, 26, is an employee of Daewoo Electronics.

Pak Chol-on, President Chon's Political Secretary

Kim Ik-tong, 57, second eldest brother of No Tae-u's wife, is a graduate of the Kyongbuk University Medical College. He is now the director of the College of Public Health of Kyongbuk University and concurrently the chief of the Plastic Surgery Department of the Kyongbuk University Hospital. He once served as the dean of the Kyongbuk University Medical College and his possible appointment as the President of Kyongbuk University became a subject of discussion. However, he reportedly declined the post lest he should be seen with suspicion because of his ties with No Tae-u.

His wife is Kim Kyong-su, 55, professor of clinical pathology at Yongnam University. The couple has one son and two daughters. The son, Po-Hyon, 27, is serving as an intern at Seoul National University Hospital after graduating from the Medical College of the Seoul National University. The elder daughter, Yong-chu, 24, is taking a post graduate course after graduating from the Seoul National University Department of Instrumental Music. The younger daughter, the youngest child, is a high school senior.

The wife of Pak Chol-on, 46, is a second cousin of Kim Ok-suk, wife of No Tae-u. Pak, former political secretary to the president, did not like publicity and his name was not frequently mentioned by the media. But in his inner circle, he is known as a "man with an intellect as sharp as a razor's edge." The rumor was in circulation that he was involved in the 12 December incident as a civilian. Some people speculate that when the two secretaries, Ho Hwa-pyong and Ho sam-su, were relieved of their posts as a result of a power struggle, Pak in his capacity as the No 2 senior presidential secretary, took over part of Ho

Hwa-pyong's former duty. Pak joined the Public Prosecutors Office after graduating from the Law College of Seoul National University. He was once well known as a prominent prosecutor in the judicial world.

No Tae-u was born in 1932, the first son of No Pyong-su (now deceased) and No Tae-hyang (79), at Sinyong-tong, Kongsan-myon, Talsong County, North Kyongsang Province. [Sinyong-tong is now in Tong-ku, Taegu.]

No Pyong-su worked as a clerk at the Kongsan-myon village office. His father's elder brother founded Sochon Primary School in Kongsan-myon and acted as principal. When his eldest son, Tae-u, was 7 years old, he was killed in a traffic accident at the age of 29 when the bus he was riding crashed into an oncoming train at a railway crossing in Chilsong-tong, Taegu. He was on his way to Taegu to see how his youngest brother, Pyong-sang, now 66, was doing in his middle school entrance examination.

No Tae-u's mother became a widow when she was 30. She, a devout Buddhist, is known as "Buddhist Nun Kim" and is currently chairwoman of the lay Buddhist association affiliated with Payge Temple.

With the death of No Pyong-su, the mainstay of the family fell, causing tremendous hardships in the life of the family. As an aftermath of his elder brother's death, No Pyong-sang gave up his plan to enter the middle school and left his hometown to join his second eldest brother, Pyong-to in Shanghai via Tokyo. No Pyong-to is now 76. The two brothers settled down in Manchuria and entered into business separately. Pyong-sang became a successful businessman by operating a steel works called Namman Metals and an office supply manufacturing plant called Miun Chemicals. When No Tae-u was in the sixth grade, Pyong-sang returned to his hometown and took care of Tae-u like his own son.

When Tae-u said he wanted to enter the military academy, Pyong-sang urged him to go to an ordinary college. But, unable to make Tae-u change his mind, he finally gave in and permitted Tae-u to apply to the military academy.

Currently, No Pyong-sang is the chairman of Hansong Kigong [Machine Industry] in Yoksam-tong, Seoul. The president of the company is No Chae-u, 54, younger brother of No Tae-u. After graduating from the Economics Department of Yongnam University, Chae-u once worked for the Housing Bank. His wife also hails from Taegu, and the couple have two sons. The elder son, Ho-chun, is a senior at the political and Foreign Relations Department of Koryo University, and the younger son, Chun-yong, is a high school senior.

No Pyong-sang and his wife, Yu Yong-chae, 63, have five sons and two daughters. The eldest son, Song-u, 39, a graduate of Hanyang University, is currently the vice president of Hansong Kigong; the second son, Yong-u,

37, a graduate of Koryo University, is a managing director of Hansong Kigong. Hansong Kigong is a family company, with father and sons working together.

Hansong Kigong was first established in Taegu on 26 May 1971. The number of employees is between 50 and 60. It installs fixtures in apartments and other buildings as a subcontractor.

Pyong-sang's third son, Chin-u, fourth son, Il-u, and fifth son, Ki-u, are all in Los Angeles jointly running a tourist office, an insurance company, and a trading firm. Chin-u once worked for a U.S. branch of the Daewoo group. The husband of Pyong-sang's elder daughter is in business in Pusan, and the husband of his younger daughter is working at the Olympic Organization Committee.

Pyong-sang's elder brother Pyong-to lives in Taegu. Pyong-to's elder son is a company employee, and his younger son is a businessman. All of his three daughters are married.

Pyong-sang's brothers are all alive except No Tae-u's father. Pyong-sang's eldest sister No Pyong-tae, 69, lives in Seoul. When No Tae-u was showered by eggs during his local election campaign tour some time ago, she reportedly put a charm on him and encouraged him by saying "you will have no more such mishaps from now on."

No Pyong-yong, No Tae-u's uncle, is the chairman of Kyongwon Construction Company (in Kyongsan-up, North Kyongsang Province).

No Tae-u has one son and one daughter. The daughter, So-yong, 26, went to London for study when she was enrolled at the College of Engineering, Seoul National University. After completing a master's course, she is now working on a doctorate in business management at the University of Chicago. The son, Chae-hon, 22, is a senior at the Department of Business Management, Seoul National University. Rumor has it that Chae-hon played a considerable role in his father's decision to issue his "29 June statement."

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4 New Vice Presidents Elected at Convention
SK070231 Seoul THE KOREA HERALD in English
7 Jan 88 p 1

[Text] The Reunification Democratic Party voted 819-76 to reject Kim Yong-sam's resignation yesterday.

About 90 percent of the some 1,000 party members attending a national convention expressed their confidence in Kim as party president, giving him a solid mandate to reshape the party.

The national convention at the Sejong Cultural Center Annex also elected four new vice presidents—Kim Sang-hyon, Kim Myong-yun, Kwon Oh-tae and Kim Yong-kwan—after passing a bill to revise the party constitution.

Following the vice presidential election, Kim Yong-sam named Kim Chae-kwang party adviser. The latter was the party's campaign chairman during the December presidential election.

In the vote of confidence there were 819 votes against and 76 votes for Kim's resignation with eight void votes.

Kim said, "I feel my heart sinking to see your unchanged support for me. By showing an overwhelming trust on me, you put a heavy burden on my shoulders that the RDP must win the general elections.

"I will take this burden in the belief that the only way I can repay your fervent support for me is to put an end to military rule and achieve democracy by making a revolution through elections," Kim said.

Kim's speech was repeatedly interrupted by enthusiastic applause, but the audience listened silently when he admitted that he wept for the first time in his political career after he was defeated in the Dec. 16 presidential election.

"After the election, I thought of leaving the political scene. But I changed my mind and decided to seek compensation for my defeat from the general elections.

"By renewing ourselves, we can win the Assembly elections. As a champion of parliamentary democracy, I will from now on struggle against the government in the Assembly," Kim declared.

The RDP president also urged all opposition forces to rally behind his party and pledged to open the party to elite young people.

While promising that the RDPLWOULD make its best efforts for the successful management of the Summer Olympics in Seoul, Kim said he would reshape the party so that it can be loved and trusted by the people.

Following Kim's speech, the convention passed an amendment to the party constitution. The highlights of the new constitution include introduction of free elections for party vice presidents and selection of candidates for Assembly seats through recommendations by regional chapters.

The constitution, however, stipulates in the appendix that candidates to be fielded in the next Assembly elections will be chosen by the Executive Council.

In the subsequent election of vice presidents, eight candidates vied for four posts. The four losers were Hong Yong-ki, Kim Su-han, Song Won-yong and Pak Il.

According to the party constitution, the party can have seven vice presidents. The remaining three will be appointed by Kim.

Kim told reporters after his speech that he intends to appoint key party officials in a few days.

"I will call a general meeting of party lawmakers tomorrow to discuss a new party lineup. The secretary-general, floor leader and chairman of the policy-making committee will be appointed within this week," he said.

After the election of the four vice presidents, the convention adopted a six-point resolution calling for promotion of intraparty democracy, integration of the divided opposition, release and reinstatement of political prisoners, disclosing of the facts of the Dec. 12 incident of 1979 and Kwangju incident of 1980 and termination of military rule.

Prosecutor Reinvestigating Alleged Torture-Death Coverup

SK130847 Seoul YONHAP in English
0836 GMT 13 Jan 88

[Text] Seoul, Jan. 13 (YONHAP)—South Korea's prosecution has begun an investigation into allegations that the director and other high-level officers of the national police headquarters (nph) knew that the death of a university student in January last year resulted from police torture and not from shock.

Dr. Hwang Chok-chun who conducted an autopsy on Pak Chong-chol, who was later known to have been killed by torture, alleged Tuesday that the then NPH director Kang Min-chang and other senior police officers had known the truth and tried to cover up the case by falsifying the autopsy results.

Dr. Hwang, 42, chief of the forensic medicine department at the national institute for scientific investigation, put down on paper his experiences of a year ago and made public the contents prior to the first anniversary of Pak's death on Jan. 14.

Kim Kyong-hoe, chief of the central investigation bureau of the supreme prosecutors' office, said that the prosecution is investigating the contents of Hwang's diary.

Kim said the prosecution will summon former NPH director Kang and other officers for an investigation if necessary after reviewing Hwang's diary.

According to Hwang's account, Kang and other high-echelon NPH officials tried to cover up the case by manipulating the autopsy results even after they had received a correct report that Pak had died while being tortured by investigators.

The initial announcement on Pak's death said that Pak had died of shock during an investigation.

The police later announced that two police investigators of the NPH's anti-communist division tortured Pak to death. Following a disclosure by an organization of Catholic priests, the prosecution re-investigated the case and indicted three other senior officers, including senior superintendent Pak Cho-won, then a vice NPH director.

Hwang insisted that senior superintendent Pak asked him to change the autopsy report to show that Pak had died of shock during interrogation.

Pak Cho-won and the two high-level officers were later tried and received prison terms. They appealed to the appellate court, maintaining they were innocent.

The prosecution summoned the former NPH director and investigated his involvement in the case but judged that he was not involved.

Meanwhile, An Sang-su, who was a prosecutor engaged in the investigation of the torture-death case, said Tuesday that the prosecution was unable to thoroughly investigate the cover-up of the torture-death case because of influence from outside the prosecution even though the prosecution had known the truth of the cover-up.

But Kim Kyong-hoe at the supreme prosecutor's office said the prosecution will not conduct a new investigation into an's allegation saying that it contained nothing new.

Daily Calls for Thorough Investigation of Torture Case

SK191154 Seoul TONG-A ILBO in Korean
18 Jan 88 [no page given]

[Editorial: "Torture and Clarifying the Truth"]

[Text] The cover-up of student Pak Chong-chol's torture-death case should be thoroughly clarified. Kim Kyong-hoe, director of the Central Investigation Department of the Supreme Public Prosecutor's Office, announced, "We have decided to conclude the investigation since we envision punishing no more persons now that Kang Min-chang, former director of the National Police Headquarters, has been arrested." The reaction of the police to this is said to be why should the police be the only ones reproved and not the prosecution as well.

The truth should be made public thoroughly. We are not convinced by the announcement of the prosecution about why it entrusted the police with the responsibility of making the initial investigation, why it delayed the

investigation after it became aware of the cover-up, and why it issued indictments 5 days after remanding, and so forth. There are too many things that mystify us. Can such statements as "we put it off because the political situation prevailing then was one of confusion," and "neither prosecutor in charge Sin Chang-on nor prosecutor An Sang-su (now a lawyer), who were on the investigation team then, knew anything about the pressure from outside or the ad hoc committee" be clarifications of the mystifying points concerning the prosecution? He who made these statements himself must not think they will eliminate the suspicion.

Furthermore, nothing has been revealed about the identity of the "ad hoc committee meeting of the organizations concerned." Is there any such committee at all? If there is, who are the committee members? How is it operated? How are the decisions made there put into execution? In this connection, the Korean Bar Association [KBA] investigation team provides us an important suggestion. The KBA exposed the fact that when police sergeant Cho Han-kyong changed his mind in March last year and said, "There are other conspirators as well," a high ranking official of a certain organization visited him and told him, "We will give you a sure guarantee," trying to persuade him not to tell the truth.

If this were true, it would mean intervention in this case by a higher key authority than the prosecution and the police.

That is why we call for a thorough reinvestigation of this case. When we demand that those who were involved in the case be sought and punished, we mean that the state's right to punish offenders, called "the criminal punishment of the act in violation of the law," should be rigorously implemented irrespective of the position in society of those who have committed the crime. However, what is more important is that by thorough clarification of this case, we should eliminate the bad habit of investigating criminal cases through the use of torture, which has not been uncommon among our investigation authorities, and eliminate their outlook on torture, which they may regard as nothing out of the ordinary.

To operate on this morbid phenomenon, we should first know the accurate cause of the morbidity, the morbidity of investigation accompanied by torture. It should not be that "investigation with torture is ordinary and investigation without torture is an exception." We are led to suspect that such a distorted concept has been in practice and that the responsibility of the upper echelon of power organizations has been regarded to be to cover it up.

A specific example of this may be the case of Suwon Police Station in which the policemen tortured a teenager until he was brain dead.

In the new republic, this morbid habit of the investigation authorities should be eliminated to bring forth democratic police and democratic prosecution.

ECONOMIC

Stock Prices Rise After No Tae-u Victory *SK180327 Seoul THE KOREA TIMES in English* 18 Dec 87 p 6

[Text] Share prices on the Korea Stock Exchange skyrocketed yesterday as ruling party candidate No Tae-u was elected the next president.

The Composite Stock Price Index rose a record 19.27 points to close at 491.44. The previous record in daily price surge was 18.23 on Nov. 18 when the government announced a package of market liberalization measures.

Massive buying orders flooded the market from the outset with No, considered by investors as stabilizer of the market, crushing to a surprisingly easy victory in the nation's first direct popular presidential election in 16 years.

General expectations that the government will move positively to boost the market to celebrate the election of No, coupled with the rumor of strict anti-real estate speculation measures to be pronounced by the government imminently, also contributed to yesterday's bull market.

But with selling orders disappearing, buying orders even with maximum quote could not meet their counterparts.

A rising whirlwind was across the board. Buying orders centered especially on financials and construction which suffered serious setbacks recently, and manufacturing and domestic demand shares like electronics, automobiles and chemicals.

The morning session closed with the composite stock price index of 489.16, an impressive 16.99 points up from Tuesday's close. The market was closed on Wednesday for the presidential election.

But the trading volume in the morning session was contained at extremely low 882 thousand shares, reflecting the brisk disappearance of selling orders.

Market analysts express general optimism, predicting that the market will be notably galvanized with the prospect of political future becoming more or less bright.

The uncertainty over the political situation has been the main damper to the market.

With the institutional investors expected to turn to a hectic selling to digest the buying spree on the side of individuals, stability in demand-supply equilibrium will be restored.

Some observers however worried over the swollen money supply and possible, if not probable, move by the opposition camps to invalidate the election results.

Domestic demand issues such as service, paper and steel were fingered out by market observers as being promising issues, as the U.S. dollar continues its plunging march.

No Victory Invigorates Seoul Stock Exchange

SK190844 Seoul YONHAP in English
0822 GMT 19 Dec 87

[by Kim Un-chu]

[Text] Seoul, Dec. 19 (YONHAP)—The victory of No Tae-u in the nation's presidential election on Wednesday invigorated the Seoul stock exchange this week.

Investor's belief that the rather unexpected massive victory by No, the ruling Democratic Justice Party's candidate, will sweep away political uncertainty served to spur stock prices across the board on Thursday and Friday.

The stock exchange has recently been depressed due to investors' nervousness over the country's uncertain political and social situation after the Dec. 16 presidential election.

The market started weak on Monday and remained in a bearish mood to close 9.24 points lower with a rush of selling orders apparently triggered by anxiety over a continued slowdown of the market.

However, on Thursday when the presidential election results were made public, the composite stock price index skyrocketed to record the highest daily upsurge of 19.27 points to close at 491.44.

A total of 458 issues soared to the daily highest permissible limit, also setting a record high.

Trading was thin, with volume estimated at only 1.4 million shares, the lowest-ever daily level due to a small number of transactions attributable to a reluctance to sell. The comparable figure was 12.21 million shares on Tuesday. Turnover amounted to 20.6 billion won (25.9 million U.S. dollars one dollar is worth about 795 won), down from 161.3 billion won on Tuesday.

The bullish market continued on Friday with the CSPI gaining 10.3 points to surpass the 500-point level. The market started firm while early gains were partly erased by profit-taking in the afternoon. Scattered demonstrations demanding nullification of the presidential election had a slightly negative impact on the market.

During the week, the composite stock price index rose 27.17 points from last weekend to close at 501.77 Friday.

The CSPI lost 9.24 points to close at 465.36 Monday. It surged 6.81 points to 472.17 Tuesday. It soared 19.27 points to 491.44 Thursday and 10.30 points to 501.77 Friday.

The daily average trading volume for the week fell to 6.85 million shares from 7.46 million shares last week. Trading volume was 8.85 million shares on Monday, 12.21 million shares on Tuesday, 1.4 million shares on Thursday and 4.95 million shares on Friday.

The daily average turnover declined this week to 94.13 billion won (about 118.40 million dollars) from 99.96 billion won (about 125.74 million dollars) last week. Turnover was 128.4 billion won (about 161.5 million dollars) on Monday, 161.3 billion won (about 202.9 million dollars) on Tuesday, 20.6 billion won (about 25.9 million dollars) on Thursday and 66.2 billion won (about 83.3 million dollars) on Friday.

On Friday's close, Daewoo securities rose 2,100 won to close at 41,500 won from last weekend. Ankuk fire and marine insurance surged 4,000 to 62,500 won. Korea first bank gained 1,200 to 11,300 won. Hyundai motor increased 1,200 to 20,500 won. Samsung semiconductor and telecom grew 400 to 19,400 won. Daewoo electronics advanced 1,250 to 12,250 won. Daewoo expanded 760 to 10,280 won. Yukong gained 300 to 33,700 won. Lucky rose 590 to 15,790 won. Hanil development surged 1,300 to 12,200 won. Dong-a pharmaceuticals increased 900 to 16,600 won. Ssangyong cement gained 300 to 13,000 won. Dongbu steel hiked 2,200 to 23,700 won. Miwon foods advanced 290 to 17,490 won. Oriental brewery increased 1,600 to 19,800 won. Cheil synthetics surged 2,450 to 24,950 won. Chonju paper gained 1,000 to 26,000 won.

Meanwhile, share price closed mixed Saturday with the CSPI falling 0.02 points to close at 501.75 in the half-day session. Trade volume totaled 7.31 million shares on turnover of 83.4 billion won (about 104.9 million dollars).

The Korea stock exchange was closed Wednesday on the occasion of the nation's presidential election.

YONHAP Reports Seoul Stock Exchange Activity for 22 Dec

SK221111 Seoul YONHAP in English
0954 GMT 22 Dec 87

[Text] Seoul, Dec. 22 (YONHAP)—Share prices on the Seoul stock exchange Tuesday rebounded sharply in active trading.

The composite stock price index, which lost 11.46 points on Monday, picked up 12.45 points to close at 502.74.

As the morning session opened, financials, insurances, machines and constructions regained strong upmomentum on the strength of news that the government may reconsider its decision to absorb excessive liquidity or at least postpone until it confirms a complete turnaround of the market.

China-related exporters also led the market, a reflection of reports that china will open up its two peninsulas of shandong and jiaodong to foreign countries to attract overseas capital and enterprises.

An estimated 7.38 million shares changed hands, compared with 7.07 million shares traded on monday. turnover amounted to 108.9 billion won (about 136.98 million U.S. dollars: one dollar is worth about 795 won), down from Monday's 116 billion won (about 145.9 million dollars).

Of the 525 issues that changed hands, advances outnumbered declines 351-117. one hundred and eighty-five issues rose to the daily highest permissible price level, while five issues plunged to the daily lowest level.

Clothing, machinery, electronics, auto, wholesale, insurance and financial issues gained, while sea transportation, land transportation and textile issues were among the losers.

Reason for Selling Government Stocks to Public Discussed

41000006 Seoul THE KOREA TIMES in English
3 Dec 87 p 6

[Article by Reporter Chae Hee-mook: "Planned Sale of Government Stocks To Help Low-Income Earners"]

[Text] The planned public sale of government-held stocks has been devised to help low income earners get financial benefits from the booming securities industry.

Some critics have sniped at the plan, arguing that the government and the ruling Democratic Justice Party cobbled up the program to woo the low-income bracket as part of a hectic campaign for the presidential elections scheduled for Dec 16.

In general, big state enterprises with high profits become the object of people's share issues in a phenomenon widely seen in advanced countries.

West Germany shared out Volkswagen by means of people's stocks in March, 1961, for the first time in the world and Paribas of France was similarly privatized in January this year.

British Telecom and Japan's NTT are other major people's enterprises whose stocks are owned by the general public.

People's stock aims at helping achieve the social goal of providing low income earners the chance to participate in major basic public enterprises.

Taking a leaf out of this book, the government has drawn up a privatization program for seven state-invested corporations.

The seven are the Pohang Iron and Steel Co (POSCO), the Korea Electric Power Corp (KEPCO), the Citizens National Bank, the Korea Telecommunication Authority, the Small and Medium Industry Bank, the Korea Exchange Bank and the Korea Monopoly Corp.

Under the five-year plan for distribution of people's stocks, a total of 5 trillion won worth of stocks will be sold to 8.5 million low income earners by the end of 1992.

In a consultation meeting with the ruling Democratic Justice Party, the government has drawn up a detailed program for people's share issues for next year.

A people's stock subscription system and people's stock trust system will come into being in accordance with the introduction of people's stock.

The government will give priority to distribution of people's stocks to low income levels. Price discount favors, financing and tax favors will also be given to people's stock subscribers.

Under the plan stock holders are required not sell the shares in the first three years for property formation over a long term period.

Most people have welcomed the government program as it is expected to help low income earners profits as a result of investments in the blue chip shares.

In other respects, massive supply of stocks will prevent people from speculating in the stock market.

The growing current account surplus and strick control on real estate speculation along with the presidential election have recently prompted the general public to speculate in stocks rather than use them as a sound income source.

On the other hand, enterprises will be strongly encouraged to raise their business funds from the stock market directly rather than financial institutions. As a result, they will be able to reduce debt to financial institutions, firming up their financial status.

But the massive supply of people's stocks may arouse fears of sharp falls in stock prices, although the government has said it plans to supply the projected 5 trillion won worth stocks gradually—1 trillion won worth stocks a year.

On the other hand, it is doubtful how much it will help low income earners to form property. Even though all the shares are distributed, one person is to get merger some 60,000 won worth of stocks on average.

**International Monetary Instability, Call for
National Economic Reform**
41070014 Seoul MAEIL KYONGJE SINMUN in
Korean 9, 10, 11, 13, 16 Nov 87

[9 Nov 87 p 1]

[Text] "Get prepared for a rise in the won," an emergency has been declared in the foreign exchange rate. Domestic conglomerates including Samsung, Hyundai, Daewoo and Lucky Goldstar are desperately trying to hire international financing specialists. The number of companies installing telerate terminals in order to continuously monitor information on the exchange rate is increasing substantially.

Every conglomerate has set up and has been operating an emergency task force on exchange rates.

Without knowing what is going on with exchange rates, enterprise management has become impossible. The telephone number, 753-4154, is one of the numbers which been very busy due to the fluctuation in the exchange rate.

"What is today's rate?" From 8:30 in the morning, telephone calls have been pouring in. This is the number of the International Financing Section of the Bank of Korea. It is here that the standard of the won relative to the U.S. dollar which is the daily basis of the exchange rate is announced. They cannot wait until 9:30 when the Korea Exchange Bank officially announces the daily exchange rate. Knowing the rate even a few minutes earlier will help them plan the day's business.

Each enterprise's emergency task force on exchange rates starts its work by checking the Bank of Korea's standard rate.

It has only been 1 year since domestic enterprises started considering the problem of foreign exchange rates seriously. When the United States first proposed raising the won value (decreasing the exchange rate) as a means of applying pressure to the trade imbalance in the first half of the last year, the domestic business atmosphere was that of disbelief. They merely expected the issue to be compromised at a point where a minimal raise would be made as a form of courtesy toward the United States. The development of the situation, however, occurred totally contrary to our expectation. Mr. F. Bergstrom, director of U.S. Institute for International Economics, visited Korea last July and insisted that "The value of the Korean won should be raised at least 10 to 15 percent." In view of the fact that Dr. Bergstrom is considered one of the strong candidates for treasury secretary if the Democratic Party wins the election, his remark was a surprise to many domestic as well as foreign parties concerned.

The exchange rate of the won started decreasing noticeably following his remarks. During the last year, the exchange rate decreased by 28.8 won, which is equivalent to a 3.24 percent rise in the won value.

As of September 1987, the rate dropped by 61.9 won, which is an increase in the won value by 7.74 percent. "One dollar = 800 won," called a psychological barrier was broken on 6 November. In about 3 and 1/2 years it has reverted back to the era of "1 dollar = 700 won."

Our expectation for the rate of 1:800 to be maintained at least until the end of the year proved to be a mere wish. Hasty predictions are mushrooming that by the end of the year, the rate will drop to 780 won [for 1 dollar] and toward the end of next year, it will get into the 600 won range.

The record low of the dollar value since mid-October makes the future of the won even more gloomy. Unless we find our own means, even survival is at stake. Radical improvement in the economic system is urgently necessary. First of all, a change in understanding [the real situation related to foreign exchange rate] is necessary.

As far as exchange rates are concerned, domestic exporting companies only had to follow the government policy in a hothouse atmosphere. Our government took care of everything in advance on behalf of the enterprises.

The government sometimes adjusted the exchange rate so that exporting companies would profit even from deficit exports.

It was a kind of favor given them. The situation has changed now. The government's wall of protection is collapsing. The glass panes on the hothouse are being broken one by one.

After a brief cold wind, a typhoon accompanied by a storm is approaching.

The export management style which depends on the government exchange rate policy can no longer exist. The exchange rate adjustment, which has been an important policy measure for export promotion since 1945, is no longer possible. The exchange rate is moving in a direction where exporting can lose money for certain items. Profitable export is being enforced by an external mechanism of raising the won value. A new phase is impacting throughout the overall economy, including economic management of the policy authorities, management strategies of enterprises, and economic activities of the individual.

The intensity of the shock is expected to become stronger. It is time for us to cope with an era of "1 dollar = 600 won."

It may be necessary for us to scrutinize the Japanese experience of improving their economic situation under the name of the "High Yen Revolution" after the G-5 [Group of Five] meeting in September 1985.

As far as the exchange rate is concerned, we can only be frank. The limit in the government's ability to adjust has been shown. The existence value of the "Plus Alpha" is getting dimmer. In the future, the value of the won should be raised by the same amount as the drop in dollar value in the international currency market.

Taiwan has already adopted the system of their currency value adjustment according to the dollar value in the international market. The Taiwanese Government announced on 28 March 1987 that they are giving up their control of the foreign exchange rate for the first time since the establishment of their government. They let the new Taiwan dollar rate float according to the foreign currency market rate.

There is no guarantee that we will not be adopting the same system as Taiwan.

Raising the won value does not necessarily only have negative aspects. It has the effect of reducing the burden of foreign debts and stabilizing consumer prices. The problem lies in the increasing difficulty of exporting in our export-oriented economy.

This is why every enterprise is working so hard to prepare measures to cope with the rising won value. We are presenting a series of articles covering the reality of the Korean economy, as it faces a great period of reform and counter strategies, and obstacles to reform and their effects on the people's life.

[10 Nov 87 p 1]

[Text] Japanese business circles lost about 10 top-level managers including the president of Mitsubishi Corporation this year. There does not appear to be a particular reason for this. It is well known the cause is a recession due to the continued high yen value.

When the yen value dropped to 150 yen to 1 dollar, they cried out that the "High Yen Revolution" had occurred, and considered the situation a "national disaster." The current rate, however, is already 130 yen to 1 dollar.

Such a "national disaster" has appeared as a reality before we even realized. The era of 800 won to 1 dollar already gone and now we are entering the era of 700 won to 1 dollar. This trend does not seem to stop here.

"It is really becoming difficult," sighs Kim Il-sun, president of Taehwa Sanghyop, an established fur export company.

Although the rate was expected to drop to the 800-won range, the enterprises got very much concerned about the future when the expectation became a reality.

As the emergency becomes more of a reality, the business circle is busy trying to cope with the situation by declaring an emergency management system.

On the morning of 7 November when the won value plunged to the 700's, Samsung Corporation made an emergency announcement to its employees: "At this moment the exchange rate dropped to 799.66 won to 1 dollar." Hyosung Group called for an emergency management meeting organized by the vice president. The Tongbo Group discussed the exchange rate problem as the main agenda at the group's regular presidents' meeting.

Hyundai, Daewoo, and Kumho Groups discussed emergency countermeasures through their standing committees on the exchange rate.

As the exchange rate emergency system was announced, there are no holidays for those working in export and foreign exchange sections of each company. On Sunday, 8 November, most of them worked as though it was a regular working day and worked hard for the preparation of countermeasures.

Most of the enterprises are sending their people to foreign countries for emergency training as specialists in the foreign exchange management.

Since 1980 the Samsung Group has been training working-level employees selected from foreign exchange sections of the group's companies by the international financing team in the group's secretary's office for 2 to 3 months in foreign banks or similar organizations.

The Samsung Group sent 15 people this year for foreign training, including one from the Samsung Heavy Industries who was sent to the U.S. Irving Trust on 26 October. The Lucky Goldstar Group expanded their foreign exchange group, and others are also paying special attention to the foreign exchange management.

Publications on foreign exchange, together with a practical education in this area, are noticeably increasing. The Samsung Corporation trained 700 employees on this matter during the period 19 to 30 October. Samsung Electric published a translation of a [Japanese] book entitled, "The Ordeal of Sudden Riches From the High Yen Value."

As the speed of the rising won value accelerates, enterprises are actively pursuing their preparation of countermeasures as well as of self-protection measures. It is because the export competitive edge is weakened by the amount of increase in the won value.

The first countermeasures of the enterprises are management rationalization and productivity increase. Korea Electronics declared their intent to meet the "Challenge of 1988 with a determination to start from scratch." The Kukje ICC Corporation proposed "Overcoming the High Won Value" as management guideline.

Similar reactions are coming from textile, shipbuilding, electronics, and automobile industries, whose competitive edge on export and profitability are greatly decreasing due to the high won value. These enterprises are suffering because of the wage increase resulting from the previous severe labor-management dispute and a sharp increase in the price of raw materials, and worse yet, the high won value.

Many enterprises share the opinion that a transformation of the industrial structure is urgent and that it is time to leave the simple labor-intensive industries.

Instead they are turning their efforts to automation by factory automation and expanding their investment in facilities, and in the production of high-added-value products by improving the technology, quality, and production planning.

Toshin Industries, a garment and toy exporting company, purchased 7,000 pyong (approximately 5.7 acres) of land near Kimpo in the first half of the year without even deciding in what area they were going into. Only recently did the company decide to produce photographic film sensitizing equipment. Labor intensive industries find breathing room in foreign investment. Taehwa, a shoemaker, founded the PT Taehwa (investment capital of \$1 million) in Indonesia, and plans to produce 1.5 million pairs of shoes starting next year.

Hwasung, another shoemaker, is working on establishing a joint company in Thailand with a capacity of 700,000 pairs of shoes a year. It is because they cannot make a profit from domestic operations due to increases in wage and raw materials cost as well as the high won value. Textile businesses are in a similar situation.

"So far the speed of rising currency values in Japan and Taiwan surpassed that of Korea, and we benefitted to the extent of this difference. It is likely, however, that the situation could be reversed," according to President Pak Chung-gu of Kumho Group.

Most of the big conglomerates are declaring "1 dollar = 720 won." Accordingly, they are working on diversification of export lines, a change in import lines, a change in payment methods, and an expansion of the domestic market. They are also promoting an increase in export prices to make a maximum profit.

The three big automakers, including Hyundai Motor Company, have already increased the price by 5 percent this year. Prices of shoes, tires, iron products, and

machineries have also gone up. The problem, however, lies in the fact that the profit due to price increase is far less than the loss due to the high won value.

Many export companies are trying to change their method of exporting from the local or the OEM [original equipment manufacturing] method to the direct export method.

Although the industries are trying their best to absorb the shock of the high won value by all of the above kinds of countermeasures, they still feel restricted. It is because domestic businesses are facing the rapid rise in the won value for the first time in history and, they are likely to fall behind in the international competition since the basis of independently improving technology and productivity is weak. The business circles are, therefore, expecting government roles to be played in a new dimension.

[11 Nov 87 p 1]

[Text] "Reduce the interest rates further and thereby reinforce the policy to expand the domestic consumption."

"It is impossible to further reduce the already low interest rates. The cause of the problem lies in your own domestic problem."

"Then it is all right. We will just let it be." These are not merely talkative debaters' quibbling.

These are actual debates, which show one aspect of the world economy on the verge of emotional conflicts, among the United States, Japan, and West Germany, who are resisting the American struggle to come out of stagnation.

The New York stock market crash on 19 October, which is called "Black Monday," ignited chaos in world financial markets. The stock market crash is spreading to major international stock markets including Tokyo, London, and Hong Kong, as a "domino phenomenon." Worse yet, moreover, the dollar value has started to drop and we see no end to how low it will go.

The United States, leader of the world's capitalist countries, is in big trouble. Even though they are reinforcing the protective trade policy, which is criticized as being too much by the developing countries, the trade deficit is still increasing.

During 1986 alone, the U.S. trade deficit amounted to \$164.4 billion. The trade deficit has been continuously increasing and as of August 1987, it was \$111.1 billion. By the end of the year, it is expected to be close to \$200 billion.

The budget deficit is also enormous. During fiscal year 1986 (October 1985 to September 1986) the budget deficit was \$221.7 billion. During fiscal year 1987, it was \$148 billion. It is the debt of the U.S. Government.

The trade and budget deficit, which is called the "twin deficit," is the cancer in the U.S. economy.

Although the United States is asking for cooperation from Japan and West Germany, they have not been getting satisfactory reactions.

The United States' request is simple. They request the Japanese and West German Governments, which are the next strongest economic nations to the United States, to reduce their interest rates so that the world's floating money will come to the United States, and to increase their imports from the United States by expanding their domestic consumption. The Japanese and West German Governments are trying to cooperate with the United States

The Japanese Government, which has been continuously increasing their yen value against the U.S. dollar, has started an integrated economic policy (in the scale of approximately 2 trillion yen) to help boost the domestic consumption. When the dollar value drops sharply, they try to stabilize the dollar value by buying out dollars from the foreign exchange market.

The results, however, are not so good. The trade surplus of Japan and West Germany, and the U.S.' trade deficit are continuously increasing.

One of the major reasons for the stock market crash on 19 October was the U.S.' failure to reach agreement among developed countries. Some people warned of a possible "great depression" in which the U.S. economy just stops all of a sudden.

The problem is that the discord among developed countries may not be as easily resolved as the recovery of the U.S. economy. Although the West German Government reduced their Lombard rate (Federal bank's lending rate for securities) from 5.0 percent to 4.5 percent annually (6 November) as a reconciliatory gesture, the overall atmosphere is gloomy.

The 10 developed country's central banks' governors' meeting in Basel, Switzerland, which it was hoped might lead to an agreement, ended in failure to reach an agreement on a policy for stabilizing the dollar value.

How is our "won" situation? The value of the won against the U.S. dollar is steadily increasing like the old saying, "An innocent bystander gets hurt in a fight." Since our won currency rate is determined by the principle of the "multiple currency basket," the won value decreases in proportion to the dollar's weakness.

The added value of the dollar at the time when the exchange rate is determined is 40 to 50 percent. Although the Korean Government may be able to prevent the won value from increasing by mobilizing the policy of "plus alpha", there is a limit. The United States is still complaining about Korea by claiming that the Korean Government reduced the won value, even if the dollar became weak after the G-5 meeting in September 1985.

The future of the U.S. dollar is very gloomy. As long as there is no clear sign of the U.S. economy's recovery, uncertainty will prevail in the world's financial markets. Most of the economic forecasting organizations also predict that the dollar value will continue to drop.

The U.S. Government has repeatedly announced its policy of preventing the weakening dollar value. It is from such a background that the prediction that the yen value will increase to 120 yen for 1 dollar originated. Under such circumstances, we can hardly keep away from watching the dollar value fluctuation. The real value in the international market will be directly reflected in the exchange rate of the won.

The world view of the U.S. economy after the stock market crash is very pessimistic.

According to the WALL STREET JOURNAL's survey from 35 economic forecasting organizations on 2 November, the U.S. economic growth rate in the first half of 1988 was predicted to be 1.4 percent, which is less by 2.1 percent than the previous survey result of 3.5 percent conducted in July. The survey by AP-DJ from 49 economic forecasting organizations on 6 November also showed that next year's U.S. economic growth rate will be 1.9 percent, which is less by 0.9 percent than the earlier survey result of 2.6 percent.

As long as the U.S. economy repeats confusion in this way, the dollar value cannot help but drop, and it is a direct burden on our economy.

[13 Nov 87 p 1]

[Text] At the meeting of the Korean Traders Association invited by Deputy Prime Minister Chong In-yong last July, unprecedentedly heated discussions were exchanged, from time to time in a strained atmosphere. The business circles poured in their complaints to the government who has been raising the value of the won under U.S.' pressure. The government's reaction was strong concerning these complaints.

Representatives of business circles, including Nam Tok-u, chairman of the Korean Traders Association, Pak Yong-hak, chairman of the Taenong Group, and Chang Ik-yong, chairman of the Sokwang Group, unanimously argued that the government should prevent a rapid increase in the won value even through expansion of

import openings. Deputy Prime Minister Chong, representing the government, however, did not concede his argument that "There are some problems in expanding imports by fixing the exchange rate."

The discussion lasted for about 2 hours, and ended without any compromise between the government and the business circles. As they continuously argued the pro's and con's, Trade Chairman Nam suggested that "Those who agree that the exchange rate should be absolutely fixed at the 800-won level, please raise your hands." All the representatives of business circles raised their hands, while the government representatives did not.

It is a kind of joke, but the discussion implied many things.

Although the problem of the exchange rate has been an important issue for about a year, there has not been any agreement between the two.

The problem lies in the fact even now with the exchange rate already having dropped to 700-won level, there still is no agreement between the two.

"Raising the value of the won? That is a secondary problem. The most urgent homework that our economy has is how to optimally control the scale of trade surplus. Of course, raising the won value is a serious problem, and it has no choice but to be a lower priority."

This is a remark by one working-level official from the Economic Planning Board. He is not the only one who diagnosed the current domestic economic situation. Many working-level officials in related government organizations share the same opinion.

There is no particular reason why they do not like increasing the trade surplus. The increase in trade surplus, however, shakes the basis of the domestic economic stability. It is because the government has to issue more currency by the amount of the increase in trade surplus.

It is also true that the trade surplus has become an excuse for raising the won value and a pressure to open the domestic market more widely.

It is the very decrease in dollar value that has made matters even worse.

There is no question even in the government that the rising won value will lessen the profitability of many export-oriented businesses. It can be especially expected that many medium and small export companies will face the danger of bankruptcy. It is also expected that the export momentum will decrease after 1988. It is the government's viewpoint, however, that we have to see the other side of the coin.

When the won value rises, the import price of raw materials will decrease first of all. Accordingly, the pressure to issue more currency will substantially be relieved. It is because the total amount of won will be reduced in proportion to the decrease in trade surplus.

The government's view is that even these two aspects can help prevent shaking the basis of stability. Furthermore, they count on the side effect of reducing the burden of interest on foreign debts.

What the government really is looking forward to in relation to raising the won value, however, is to readjust the industrial structure and diversification of import lines. In order to survive in the "high won value era," industries have to convert their business to a high added value era. Concurrently, businesses should try to diversify their import lines from countries with high currency values such as Japan with those with low currency values. As long as domestic businesses make the best use of the high won value opportunity to their benefit, the government expects that this will be a decisive opportunity for enhancing the domestic industrial structure.

There is no way for the business circle to share the same opinion as the government's. It is because the lessening of profitability due to the rapid increase in won value is their immediate crisis, and they have to deal with it.

The Korean Traders Association in its official suggestion submitted to the government on 11 November showed its pessimism on the government's stabilization of the price policy through the reduction of trade surplus. The association expressed its position as, "For the domestic economy, which is heavily dependent on exports, the bigger the trade surplus the better. It is true that there is a problem of possible inflation. The solution, however, should not be the reduction in international trade surplus. The government should mitigate the pressure of issuing more currency through the control of foreign investment and rapid payback of foreign debts."

The association insists that domestic interest rates should be lowered to the level of that of our competitive countries such as Japan and Taiwan.

It is possible that a diagnosis of reality, and methods to cope with it may differ depending on where we are situated. In some respect, it is quite natural. It is also true that both sides may be right.

Whether we want it or not, our economy has entered the "era of the high won value." The most important thing to do in order to efficiently cope with this great transition period is for each economic organization to create some common understanding and gather all of their wisdom together.

[16 Nov 87 p 7]

[Text] The "H" trading company, a jacket export company, recently received a telegram from one of their American buyers with whom the company has been dealing with for the past 4 years.

"After thoroughly evaluating your recent price proposal, we concluded that we cannot accept the 6 to 7 percent price increase that you propose. We are unable to accept more than 3 percent. Looking forward to your response to our counter proposal." The company is one of the medium and small companies who have been exporting about \$5 million worth of jackets to the United States

The U.S. buyer is one of the biggest customers of the "H" trading company, and has been importing about \$3 million worth of jackets from the "H" company. Therefore, if this buyer changes its import lines, the "H" company's production basis is at stake.

After all, at the company's emergency meeting, they decided to accept the 3 percent counter proposal for the time being and to continue business with them.

At last October's trade negotiation meeting for the next year, "H" company had originally requested the U.S. buyer to accept about half of the expected price increase of 12 to 15 percent due to various reasons such as the rising won value and the cost of raw materials and domestic wage increase after the labor-management dispute.

The reason why the buyer shows a tough attitude in price negotiations is that they count on our competition such as Hong Kong and China. Assuming that the foreign exchange rate of these two countries will remain stable at the current rate, the competitive edge of made-in-Korea goods becomes relatively lower.

Such a phenomenon has greatly expanded into the labor intensive low-added-value businesses. In the case of the shoe-making industry, the problem is even more serious. In this industry March to October is the high-demand season and November to February is the low-demand season. Thus in general, the price during the high-demand season is determined early each year.

The "K" company, a low-quality polyurethane shoe maker, signed an export contract early this year after determining the price of this year's high-demand season, based on the government's prediction of the exchange rate at the 800-won level towards the end of the year.

As of November, the exchange rate dropped to the 700-won level. Thus, the company lost money on exports starting from November.

The ongoing price increase negotiation with buyers is also very difficult.

About 50 existing shoe-making companies had already closed by the end of July due to the aggravating profitability caused by the rising won value and raw materials price.

In addition, another 30 companies are still suffering as a result of the aftermath of the labor-management dispute last July and August and have reduced working hours.

Recently, some companies even returned their export quotas.

As the won value plunges to the 700-won level, voiding the export contract or losing buyers become frequent in labor intensive low-added-value industries such as shoes, garments, and toy making companies.

Industries, judging it difficult to transfer to buyers the price increase caused by the rising won value, started to reduce production costs, or to enhance product quality, and improve the production process. However, this has not been enough to compensate for the loss from the increase in the won value.

The rising won value is not the only reason for weakening export competitiveness; the rise in cost of importing raw materials, and the unstable oil price; which have been called the "three low's," are worsening the situation.

In addition to this, the wage increase due to the labor-management dispute also contributed to weakening of export competitiveness.

Medium and small companies and labor-intensive businesses who have been barely surviving so far are in a difficult situation so that their exports suffer a profit loss when the won value is at the 700-level.

In the case of the shoe-making industry, bankruptcy has ensued.

As the won value dropped to the 700-level, not all of the domestic businesses are facing difficulties unexpectedly.

Many enterprises have been expecting and preparing for this kind of situation from early this year. A substantial number of companies can still withstand the price competition with Japan or Taiwan whose currency value is rising faster than ours.

Since the G-5 meeting in September 1985, the values of the Japanese yen and the Taiwanese new Taiwan dollar have risen by 42.8 percent and 25.8 percent, respectively, against U.S. dollar by 5 November 1987.

Compared to this, the Korean won value has risen at a relatively slow rate, only by 10.3 percent for the same period. Especially, since 40 percent of our export is to the United States, we are in a better position compared to the some other competitive countries such as Japan and Taiwan in the U.S. market.

Furthermore, it has been analyzed that the competitive edge is not yet appreciably affected in terms of the effective exchange rate.

According to the Korean Central Bank's analysis, the effective exchange rate index is 96.9 as of October, based on the index at the end of 1985 as 100; still a 3 to 4 percent margin for appreciation.

Considering taxes, public imposts, and export expenses, however, it is pointed out that we are at a disadvantageous position compared to competing countries. It is time for the government and industries to double their survival efforts in order to compensate for the weakening price competitiveness in the "era of the high won value."

13302

Prospect for Changing Labor-Management Relationship Reported

*41070013a Seoul TONG-A ILBO in Korean
17 Nov 87 p 13*

[Article by Pae In-chon]

[Text] Since the new labor-related laws revised in the National Assembly on 30 October will be promulgated and effectuated before the end of this month, the government authorities, specialists in this area, and those involved in labor-management relationship expect a substantial change especially in the labor union activities in industrial sites and in the order of labor-management relationship.

Specialists in this area have different views such as, "An institutional basis has been prepared for active labor union activities," (Professor Kim Hyong-bai, Korea University); or "The existing order in labor community will be reorganized and the labor union activities will enter into a new phase," (Professor Yun Song-chon, Kwangun University).

The labor community seems to be strained with various reactions; "It is expected that some of the existing labor union leagues will be divided by industry," (Kim Tong-in, chairman of the Federation of Korea Labor Union (FKLU)); "I understand that there is a movement to promote a second federation of labor union challenging the existing single federation of labor union which has long been established," (Kang Sok-ho, deputy secretary general of FKLU).

The Ministry of Labor, which is in charge of all labor policies, predicting more complicated aspects in labor and management negotiations due to the possibility of emerging new labor unions, organized either by regional small industries, or multiplying unions organized by occupation at common work sites, is working hard, preparing for measures for a stable settlement of labor-management relationships.

The policy authorities and specialists in this area point out that, "Since there is no separate regulation on union representatives requirements, it has become much easier to establish a labor union with a small number of members, so there is a possibility of a plethora of unions, and a lot of room for more frequent disputes concerning representation.

On the other hand, in relation to the regulation that "Any labor union whose members are the same as those of the existing unions or any labor union which disturbs the normal operation of the existing union shall not be recognized as a legitimate labor union"; it is pointed out that there is a possibility of a dispute on legality since it restricts the right of selective organizations provided by the law, not to mention the possibility of dispute on the interpretation of the law.

The Form of Labor Unions

In the new labor union law, the old regulation which limited the requirements on the organizational form and on the number of members has been deleted. Labor Minister Yi Hon-gi made an official remark in relation to this, "According to the law, it is possible to establish various labor unions such as by types of business, types of occupation, by region, by industry, not to mention the existing unions by companies."

Professor Yun Song-chon predicts that "It is very likely that various forms of organizations will develop according to different characteristics such as unions based on the types of industry for civil servants, regional unions in cities and provinces for workers in transportation companies, and unions based on the types of occupation for temporary workers in construction companies."

Kim Chu-suk, labor union section chief of the Labor Ministry said, "There is a possibility that small unions based on the types of industry will be established in the regional units in some of the mining areas."

For example, suppose there are 10 mining companies in region A and four of them do not have labor unions. It is then possible to establish a small industrial union in the name of "Region A Mining Union" for members from the four companies.

In this case, group negotiation will be possible with the members from the four companies.

The authorities in the Labor Ministry say that "Since the unit labor union system based on each enterprise has stabilized since 1980, there may not be any rapid change in the form of labor unions even if the new labor union law will be effective"; and "We will try to lead the administration in such a way that the current hierarchy of organizational system; the unit labor unions—federation based on the types of industry—Federation of Korea Labor Unions will continue to exist."

Multiple Labor Unions

The new labor union law prohibits the establishment of new unions with common members from the same work sites where there is an existing union. In other words, the new law does not recognize new unions with the same members from existing unions and those whose purpose is to disrupt the existing unions.

Accordingly, if the existing union in a certain work place has an internal regulation that "The membership will consist of the entire workers of the work place," a new union then cannot be established in this work place.

However, if the existing union consists of those of specific occupation types and has an internal regulation that "The membership will consist of the workers of specific work types," then separate unions with members who do not belong to the existing union can be established, according to the authorities in the Labor Ministry.

In case there are more than one labor union in the same work place, members should negotiate with each union separately.

Another example: If workers of a specific occupation in work place A do not establish a company union but establish an occupation union with the workers of the same occupation in other work places, then workers of other occupation types in work place A can establish a company union.

With respect to multiple labor unions, the Labor Ministry's attitude is to try to establish a system of one labor union in one work place on the grounds that, "Although it is possible for multiple unions to be established temporarily, the following negative aspects will arise; weak in carrying out the basic goals of labor unions such as of improving working conditions because the union strength will be dispersed; there is room for the company owner to practice unfair labor acts in establishing and operating labor unions; there is a great possibility that the stability in the relationship between labor and management will be in danger due to internal struggles among workers."

High Level Federation of Labor Unions

Although there are currently 16 union leagues based on industry types under the FKLU, it is expected that some of them will be divided.

According to Kim Tong-in, chairman of the FKLU, the following immediate divisions are expected: taxi cab union leagues will be separated from the current automobile union league; postal and telecommunication union league will be divided into postal and electric communication leagues.

It is also expected that in the event that many new unions are established in areas such as construction industries, hospitals, and the press community, where union activities have been weak or where no unions exist, new movement of establishing a separate federation of these unions will occur.

In order for the existing union federations to be divided or new federations to be created, the existing union federations should avoid duplication of members by changing the existing regulations on membership. Therefore, in case the existing federations do not concede their vested rights, there is a possibility of dispute and friction.

Although the labor union law prohibits multiple unions in order to protect the existing FKLU, which is the supreme organization for all unions in the country, it is known that there is a movement for establishing a second federation which would exercise the constitutional right of selective organization in some factions of the labor community.

13301

Shortage of Low Wage Workers Hurts Production Lines

41070013c Seoul MAEIL KYONGJE SINMUN in Korean 13 Nov 87 p 5

[Text]

Labor Ministry's National Survey of Industries

As the domestic economy continues to expand, the shortage of low wage workers is becoming even more serious.

Especially, the shortage of experienced technicians in production lines of medium and small industries is very serious.

According to the "Report on Employment Prospects," survey results by the Labor Ministry for 72,204 companies which have more than 10 employees (total number of workers being 3,684,503), the current need for low wage workers is 121,026, a 3.29 percent shortage.

Compared to 2.3 percent in 1986 (72,593) and 1.75 percent in 1985 (54,706), the shortage is increasing, indicating that the shortage of workers is becoming more serious every year.

According to occupation types, the highest shortage lies in the area of "production and related jobs," which is 4.78 percent short; followed by sales workers, 1.49 percent, office workers, 1.23 percent, and service area, 1.15 percent.

Analyzing in more detail, the following areas are in serious need of workers; "workers in garment manufacturing, and furniture interior decorating" are short by 12.4 percent; followed by "sewing and needle workers" by 9.71 percent; "shoe cutting, sewing and related workers" by 9.47 percent; "confectionery and bakery workers" by 8.41 percent; and "leather goods workers" by 8.29 percent."

Furthermore, most of these areas which need special skills have a shortage of workers, such as "spinning and weaving workers" short by 6.22 percent; "electric facility and electric and electronic workers" by 6.19 percent; "weaving and related workers" by 6.08 percent; "bleaching, dying and textile goods finishing workers" by 5.72 percent; "textile preparation workers" by 5.54 percent; "machine tools operators" by 5.45 percent; and "rubber and plastic manufacturing workers" by 4.92 percent.

Except for the following areas like "transportation guides" with the largest shortage of 9.1 percent, followed by "draftsmen" of 2.7 percent, and "machine technicians" of 2.33 percent; and technical areas (including technical, administrative, clerical, sales and service positions) are less serious compared to areas in need of skills.

From the industrial perspective, "manufacturing" is leading in shortage by 4.35 percent; followed by "construction work" by 3.32 percent; "transportation, warehouse, and communication industries" by 2.16 percent; "mining industries" by 2.15 percent; "wholesale and retail businesses, food and lodging industries" by 1.74 percent; "social and private service businesses" by 0.49 percent; "financing, insurance, real estate, business services" by 0.48 percent; and "electricity, gas, and waterworks" by 0.17 percent.

13302

Dilemma of Rising Unemployment Among College Graduates Noted

41070013b Seoul TONG-A ILBO in Korean
18 Nov 87 p 2

[Editorial: "Concerns About Rising Unemployment Among College Graduates"]

[Text] Employment difficulties are increasing everyday for college graduates. On one hand, there is a supply shortage of technicians and, on the other, there is an

oversupply of college graduates. Although this shortage and surplus phenomenon is an inevitable consequence of the social pattern of aiming at higher education, we cannot just sit and watch, because it will result in serious social problems.

There were college graduates' employment examinations for major conglomerates, government and financial institutions on 1 and 8 November. The astronomical competition rate was astonishing. This severe competition rate is not limited to big companies. The competition rate for smaller trading companies, minor financial institutions, and medium and small manufacturing companies was also 15-30 to 1.

Since there are too many applicants to handle properly, many of these medium and small companies avoid newspaper advertisement and ask colleges for recommendations for examination candidates. The number of candidates that companies request is just 1 or 2, or at most 20. Therefore, the majority of graduates do not even have the opportunity to participate in the exams. Even if some were recommended and got the chance to participate in the exams, the rate on the average is 15-30 to 1.

The employment difficulty of those with higher education has been ongoing for several years. Consequently, there are 120,000 to 130,000 college graduates who are waiting for a second chance. Moreover, adding the additional 150,000 who will be graduating next spring, there are about 270,000 to 280,000 college graduates who are looking for jobs, but the capacity for employment will be at most 100,000, including the opportunities for military service and graduate schools. As a result, there will be more than 170,000 college graduates remaining unemployed.

What can we do about this? The mechanization and automation of industry are inevitable in order to maintain a competitive edge with foreign countries. As a result of last summer's labor-management dispute, automation might be accelerated. In this case, the only areas where this surplus manpower can be absorbed is in the service industries, and traditional industries producing products with low added values, including self-managed business. Although these industries can maintain their employment power, it is clear that there is a potential problem area because of income and wage disparities caused by the inherent productivity limitation.

The problem of employment and wages are emerging as national social problems. It is not only a problem in industrial and economic societies. The problem cannot be solved by the industries alone, and there is a limitation in mediation by administrative power. It has become a political problem. It is becoming a difficult problem necessitating a solution involving social policy. It is clearly a problem that the next administration will have to agonize over. Unfortunately, however, no one seems to be preparing a blueprint.

We cannot just sit and watch; we must put our heads together. We should look forward to increased employment opportunities through shortened work hours. There should be an appropriate distribution of manpower through reduction of the wage disparity between technicians and office workers. An adjustment of enrollment between social and natural science fields in college, and a transfer of expertise through retraining should also be considered a means to adjust the balance between the shortage and surplus of manpower.

More than anything else, however, serious study must be initiated at the level of political and social policymaking on what to do with industries with low productivity and earning power, and on how to maintain constantly high level of employment. It is time to activate and encourage establishing and nurturing technically oriented small companies, rather than capital-based big companies.

13302

YONHAP Forecasts 1988 Market Factors
SK120707 Seoul YONHAP in English
0637 GMT 12 Jan 88

[By Kang Il-chung]

[Text] Seoul, Jan. 12 (YONHAP)—Share prices on the Korea stock exchange are on the sharp rise in heavy trading.

Now, few Korean stock investors predict that the market could shrink in 1988, though they agree that there will be some correction periods.

During last week, the Korea composite stock price index (cspi), a major barometer for measuring the market situation, rose 32.42 points, or 6.3 percent, to close at 548.16 when the theoretically calculated ex-divident price index was counted.

Entering this week, the all-share index has already risen about 22 points.

A lot of experts believe that the cspi will rise to 700-level at the end of this year. Some say that the index could surge to 900.

Investors are busy sounding out the right time to buy or sell shares and trying to find what shares to buy to maximize their profits.

They are in a hectic mood, rushing to the market to buy more shares in anticipation that the market value of their holdings will rise higher and higher.

In 1987, the cspi rose 98.3 percent. Since the cspi is an all-share index, for a typical investor this means that by purchasing a share in early January last year and keeping it throughout the year, the investor gained an average profit of 98.3 percent for his investment in 1987.

Even though investors don't believe that they could profit by such a big margin again this year, they hope that investing in shares will guarantee them much bigger profits than other means of savings.

More money is thus gathering around the market day by day. The total amount of customers' deposits in brokerage houses has surpassed 1 trillion won (about 1,266 million U.S. dollars; one dollar is worth about 790 won) Monday.

The total was 760 billion won as of the end of last year.

There are lots of favorable factors behind the expected bullish market situation. First of all, the sound economy of Korea should be cited. The economy is expected to grow eight percent this year, following the estimated 12.2 percent of last year.

Other plus factors include the possible direct trade with China, the scheduled parliamentary elections in spring, mammoth national land development projects and the Seoul Olympics.

All these factors are expected to bolster the market mood this year.

On the other hand, there are also many unfavorable factors. The acceleration of the Korean currency's appreciation against the U.S. dollar is expected to shrink the market along with trade frictions with the United States. The possible labor disputes in coming spring is likely to affect the investors' mind badly.

In addition, the possible speculation on real estates and the expected tight money policy of the government after the general election to siphon off the excessive money in circulation is likely to contract the market.

One of the most important factors that can affect the market is the scheduled stock supply worth of about three trillion won (about 3,797 million dollars), which include public offerings of private firms worth of 250 billion won, rights offerings worth of 1.9 trillion won and public offerings of state-run companies worth of 600 billion won.

If the supply surpasses the demand volume, the market is feared to shrink.

Because of those favorable and uncertain factors, major economic research institutes affiliated with brokerage houses are drawing various pictures of the market scene in this year.

They agree in general, however, that the market will be bullish in the first and the third quarters, and that the market will suffer in the second quarter.

To put it simply, the market will remain strong until the period of the parliamentary elections, which is expected to be held in march. after the election, they believe, the government will begin to absorb the money in circulation to curb excessive supply made during the elections periods, shrinking the market.

On the expected market situation of the final quarter, which comes after the seoul olympics, some institutes draw bright pictures while some see clouds.

The fourth quarter picture is somehow conflicting: among the 11 economic institutes, two predict bulls, one believes that the market will firm up, four predict the market will firm down, one predicts a correction while three thinks that the market will remain unchanged.

They all agree, however, that the market will be strong in the first quarter. on the second quarter, all but one forecast that a correction could occur. on the third quarter, one foresees a correction, another one predicts a depression, three predicts a recovery, while five presage bulls and one forecast the market will remain unchanged.

The institutes believe that trade, finance and construction shares are likely to become market leaders of this year because of favorable factors like the possible direct trade with china, restructuring of financial industry as well as the liberalization of capital movement and the national land development projects.

Shares in those sectors attract attention from investors because they believe the shares are generally undervalued at this moment.

Experts, however, warn investors that those share are risky because they surged during last year and particularly soared in recent weeks since last mid-december, when Roh Tae-woo was elected president. Some of them rose around 50 percent during those three weeks.

Some institutes also picked steel, cement, food beverage, transportation, electronics and paper as favorable ones.

Following is the list of 10 stock issues that the 11 economic institutes recommend as this year's favorable stocks.

Daewoo institute: Korea first bank, Hyundai motor, Daewoo heavy ind. Hyundai construction, Kumho, Goldstar electric, Daewoo, Shinsegae's, Daewoo securities, Ankuk fire and marine insurance.

Dongsuh institute: Shinsegae's, Shinpoong paper, Korean air, Lucky, Sunkyoung, Dongwon Electronics, Samsung Electric, Korea first bank, Kyongnam bank, Daewoo investment finance.

Ssangyong institute: Miwon, Dong-a pharmaceuticals, Inchon iron steel, Dong-a motor, Daewoo, Samsung semiconductors, Shinsegae's, Daclim industrial, Daewoo securities, Chohung bank.

Dacshin institute: Ssangyong, long-term credit bank, Dacshin securities, Tong-il, Miwon foods, commercial banks, Hanshin construction, Kwangu express, Shinsegae's, Goldstar electric.

Hyundai institute: Koryo fire marine insurance, Choongchung bank, Daewoo securities, Lotte confectionary, Midopa, Kolon construction, Lucky development, Samsung, Korean air, public offerings of state-run companies.

Hanshin institute: Sachan media, Sammi steel, Goldstar electric, Sunkyoung, Shinsegae's Dong-a motor, Korean air, Hanil bank, Lucky development, Daewoo securities.

Lucky institute: Lucky, Yukong, Kia motor, Goldstar, Hyundai construction, Daewoo, Korean air, Korea first bank, Daewoo securities, Tong-il.

Tongyang institute: Cheil sugar, Kolon, Yukong, Sammi steel, Daewoo, Samsung electron devices, Samsung aerospace, Daelim industrial, Daewoo securities, Ankuk fire marine insurance.

Korea institute: Hai tai confectionary, Kohap, Yukong, Ssangyong cement, Inchon iron steel, Hanshin construction, Daewoo, Korean air, Daewoo securities, Kangwon bank.

Cheil institute: Dongbu steel, Tong-il, Korea tungsten, Samsung aerospace, Shinsegae's, Daewoo, Hyundai construction, Korea first bank, Chonbuk bank, securities firms.

Dongbang institute: Lucky, Daewoo, Korean air, long-term credit bank, Kolon, Daewoo securities, Hyundai construction, Shinsegae's, Ankuk fire marine insurance, Goldstar.

Daily Views Country's 1987 Economic Growth
SK300045 Seoul THE KOREA TIMES in English
30 Dec 87 p 8

[Editorial: "Korea's Economic Achievements"]

[Text] It is noteworthy that Korea's gross national product(GNP) growth in 1987 has been estimated at a phenomenal 12.2 percent at 1980 constant prices, probably the highest growth rate in the world, and much higher than the 8.5 percent originally targeted, though slightly lower than the 12.5 percent attained last year.

Thus, the nation has achieved remarkable economic growth for two straight years, while most advanced countries have reportedly registered only 2-4 percent, with Taiwan and Singapore attaining 11.2 and 8 percent, respectively, this year.

The economic growth is commendable in view of the fact that the nation's economic environment at home and abroad has been harsh.

Among other things, there was a long spell of sociopolitical turmoil, including anti-government demonstrations led by dissident students, and labor disputes, not to speak of the natural disasters which included floods and the mounting foreign pressure with regard to trade.

The year's high GNP growth was made possible by substantial growth in the manufacturing sector allowed by the favorable export performance, and boosted by the brisk facility investment in machinery.

Also noteworthy in the 1987 economic performance is the sustained surplus in the current account and continued increase in the national savings rate to 35.5 percent, providing a further cementing of the foundation for a self-supporting economy.

Though its original goals could not be met, the price control policy has been carried out rather well, in spite of the difficulty in controlling the money supply increase resulting from the growing surplus in the international balance of payments and poor harvests.

Above all, it is a great relief that the nation was able to overcome the various plights, caused by labor troubles and the people's outcry in the process of democratization.

Really, the nation has entered a new era with a GNP scale above the \$100 billion level and a per capita GNP amounting to \$2,813.

However, there loom some dark clouds on the horizon for our economy in the coming year. Moving onto the domestic scene are a variety of unstable factors, led by the difficulty of control of the swelling money supply and price instability.

On the international scene, the nation is expected to face intense trade friction with major trading partners next year.

In addition, the economy may be greatly affected by political developments in the days ahead, with a new government to be formed in a couple of months. Yet, the new administration ought to refrain from rapid shifts in economic policies, respecting the initiative of the private sector and promoting autonomous economic activity by private industrialists.

Significant Economic Variables Expected in New Year

SK050050 Seoul THE KOREA TIMES in English
5 Jan 88 p 8

[Editorial: "Economic Internationalization"]

[Text] The nation's economic internationalization is expected to be heightened by the holding of the 1988 Seoul Olympic Games with reports that President-elect No Tae-u plans to visit Beijing in the near future.

Especially drawing our particular concern is the possibility that the expected better Seoul-Beijing relations will bring forth a substantial change in East-west trade and Korea's "northward policy."

Among the various variables expected to affect the nation's economy in the coming year are the forthcoming parliamentary elections, slated for between February and April, a galloping consumer demand at the time of the Seoul Olympics to open Sept. 17, and a (?renoniented) labor-management situation following the coming elections.

Also inviting our keen attention is the result of the ongoing Korea-U.S. trade negotiations in Washington being undertaken to save United States' retaliatory action against Korean exports, including the [text unclear] Section 301 of the Trade Act.

In fact, not only the U.S. but also the European Community has been mounting protectionist pressure directed against Korean goods as its trade deficit with Korea increases.

There loom several difficult aspects totirnm economy in spite of the government's rosy prediction of an 8 percent GNP growth for the year.

It is alarming that many newly industrialbzing countries (NICS) are suffering the same sort of trilemma to further appreciate local currency threats of high inflation and the weakening of their ability to defend the balance of payments by reducing external debts.

Through (?many) a nation fortunately remained free of the trilemma last year, it is anticipated that wholesale and consumer prices will rise by 2-3 and 4-5 percent respectively this year, an indication requiring quite quick action to arrest inflation.

In the face of the continued U.S. pressure to further reevaluate the Korean won currency this year, and in view of numerous campaign pledges made during the recent presidential election, astute efforts are needed to cushion and potential tendency to inflation by minimizing the shock impact of policy change. In this context if the implementation of new policies is necessary to honor

election pledges, they should be implemented in such a way as to first remove "undemocratic" factors quietly rather than take abrupt democratic reforms causing confusion.

Economists are generally divided into two groups in their predictions for the global economy this year. One group is predicting a stagnation caused by high inflation, protectionism and financial crisis, and the other is ruling out any recession, pointing to low oil prices, low interest rates and a rise in domestic demand in Japan and European countries. Anyhow, it is almost certain that the world economy will somewhat slow down, if not fall into recession.

All in all, the situation behooves us to pool our wisdom in exploring a new era for economic internationalization, in pursuit of "economic justice" in line with democratization in all fields in this country.

Government To Check Market Monopoly of 122 Items

SK300223 Seoul THE KOREA TIMES in English
30 Dec 87 p 6

[Text] A total of 286 makers of 122 commodities including gasoline, film, whisky and tissue paper will be under strict administrative control in their marketing techniques starting next year, the Economic Planning Board said yesterday.

EPB said the 286, designated as "market-dominating makers," will be subject to the Monopoly Regulation and Fair Trade Law under which they will face stiff government control in supplying and pricing of their designated commodities next year.

The government will strictly check the abuse of market-dominating power of the companies in supply and dumping practices, EPB said, announcing the list yesterday.

The designation aims at sharpening the competitive edge of the market-dominating items through fair and free competition in preparation for accelerated import liberalization.

A total of 29 commodities of 68 manufacturers have newly joined the market-dominating list, while 13 items of 27 makers have dropped.

Fourteen of the 29 newcomers have been listed because their total domestic supply amount increased, four have been added because of the increase in their market share, and the remaining 11 articles in connection with related special laws.

The 14 items are margarine, nylon or polyester, tire cord fabrics, film and photographic suit film, medium grade paper, carton packaging for milk and beverages, styrene-butadiene rubber, glass for TV Braun tubes, foundry pig iron, farm tractors, combines, self-contained air conditioners, forklifts, power generators and fluorescent lamps.

The four items, whose manufacturers' combined market share increased, are whisky, tissue, paddy weedicide and cold-rolled steel strip.

The 11 items, which have been listed due to related special laws, are urea, compound fertilizer, jet oil, gasoline, kerosene, diesel oil, fuel oil (bunker A and B oil), bunker C oil, propane gas, lubricating base oil and domestic air transport.

The list of the designated item was made public yesterday following the deliberation at the 251st meeting of the Fair Trade Commission of the EPB on Dec. 23.

Any manufacturer, whose market share surpasses half of the total domestic production in one item with total annual shipment worth 30 billion won or more, is to be designated as market dominating firm.

In other aspects, any three firms, whose combined market share exceeds 75 percent of one article with total annual shipment worth 30 billion won or more, are also to be designated as market-dominating firms.

On the other hand, three items—shortening, mixed C4 oil derivative and vaccine—have been deleted from the list as their total supply amount declined this year, six articles—cotton cloth, acrylic spun yarn, copper plate and bar, nutritional cosmetic water, wrist watches and propylene—have dropped due to the decline of their market share and four items—chloride vinyl monomer, styrene monomer, general freighter and high density polyethylene—have been withdrawn due to increased imports.

In particular, the government decided to apply the market-dominating ruling to the manufacturers and items under special laws as they have been liberalized gradually amid overall market opening measures.

The 11 items under special laws break down into eight commodities by 21 manufacturers under petroleum business law, two items by two manufacturers under fertilizer management law and one item by one manufacturer under aviation law.

If the items related with special laws are excluded, five items by 19 manufacturers will increase next year.

As a result, the growth rate has registered a 4.7 percent in items and a 5.8 percent in manufacturers compared to 15.1 percent and 14.7 percent increases on average in the past seven years.

The dull growth rate for next year is attributed to continuing decentralization of business and extension of the fair trade law, an EPB officials said.

SOCIAL

Social Leaders Ask No To Lessen Provincialism
SK180245 Seoul THE KOREA HERALD in English
18 Dec 87 p 3

[Text] Koreans appear to be relieved that the voting process was devoid of serious problems. But their worry is that regional animosity will deepen, hurting the cherished goal of national unity.

They naturally wish that No Tae-u will try hard to lessen provincialism.

They have asked No to devise a policy of national reconciliation to heal the serious regional animosities while implementing the democratization of the nation.

Following are reactions of some social leaders:

Yi Yong-sop, ex-chief justice; There have been many negative things such as regional animosities, black propaganda and rampant violence in the presidential election. I believe, however, the level of people's political consciousness has increased after the successful balloting and counting.

Kim Tong-ni, novelist; I hope that No will take various steps to lessen localism. The unsuccessful candidates are also requested to accept the result of the election and make their best effort to harmonize the split nation.

Yi Chong-won, former justice minister; I think the balloting and counting processes were conducted smoothly.

I hope the winner will fully accommodate the opinions of the defeated and reflect them in his governing of the nation. This is fundamental to the development of democracy and to preventing post-election disturbances.

The new president should faithfully carry out his campaign pledges and provide momentum for a grand coalition of the people.

The losers should analyze in a cool-headed manner the reasons for their loss and seek ways for the prosperity of the nation.

The Rev. Cho Hyang-nok; Presidential candidates seemed not to present clear-cut blueprints for the nation's bright future. However, the electorate demonstrated they are entitled to a democratic nation by exercising sovereign rights without being swayed by sentiment.

The successful contender should keep in mind what the people really want—stability and democratization—and he will have to make maximum efforts to practice them in the course of governing the nation for the next five years.

I advise the losers to respect the returns of the election without any condition and to cooperate with the winner in leading the nation.

Ideology Orientation Classes No Longer Mandatory
SK080039 Seoul THE KOREA HERALD in English
8 Jan 88 p 3

[Text] Beginning this year, colleges and universities will be given a free hand in developing orientation programs for freshmen, the Education Ministry said yesterday.

The ministry said the freshmen orientation will no longer cover ideologies.

The orientation classes will put emphasis on scholarships and extracurricular activities, it said.

The ideological orientation lasted 50 minutes to 100 minutes, so freshmen were unable to well acquaint themselves with ideologies, school officials said.

Nonetheless, normal ideology classes will continue for first-year students and others, they said.

Education Ministry officials said each school will be encouraged to develop more systematic ideological education with an emphasis on critical analyses of Communist ideology.

Universities will increase class hours for national ethics and open special courses for criticizing radical leftist-leaning ideology, the officials said.

The classes on ideologies had begun years ago as a buffer against a growing number of students indoctrinated with Communist or leftist-leaning ideologies. Radical leftist-oriented students have played leading roles in campus protests, according to school administrators.

In order to counter those students, the Education Ministry has emphasized increased ideological classes more often than not. However, school officials now appear to remain doubtful whether such classes have been effective in coping with campus activism.

Government Acts To Free Banned Books

Number of Books Freed

41070009 Seoul TONG-A ILBO in Korean
19 Oct 87 p 11

[Text] The government decided on 19 December to release 431 out of 650 books, whose sale has been banned for 10 years since 1977. They were banned as "proscribed books" on the basis of a decision labeling them "advised not for sale." It requested judicial examination for 181 of the books and, by so doing, placed them continuously under the ban. Regarding 38 book written by those authors who went over to the North or who were communists, it withheld release. Thus, a total of 219 books are still under the ban.

Moreover, the government has decided to accept, from this date on, applications for registration, or transfer of title, from those publishers whose application for registration had been rejected, since 1981 in Seoul and since 1986 in local areas, on the grounds that there were too many publishers. The certificate for presentation of a specimen copy to the authorities is to be issued within 15 days from the presentation under the current law; however, the government has now decided to issue the certificate immediately after presentation.

After the 29 June declaration, the ban on some songs was lifted in compliance with "Measures designed to autonomize culture and arts." And "Measures designed to activate publishing" was recently implemented and the sales ban was lifted on the following books in compliance with that measure: 118 books in the field of literature and arts including "Ojok" ["Five Thieves"] by Kim Chi-ha; "Arirang I" by "(Nim Wells)" and "A Study of Chong Chi-yong" by Kim Hak-tong; 102 books in the field of politics, including "Yusin Coup D'etat" by Yi Kyong-chae, "The full story of the Kim Tae-chung kidnapping incident" compiled by the Mainichi Shim-bunsha; 103 books in the field of social affairs including "Beyond Death, and Beyond the Darkness of the Time" by Hwang Sok-yong; 59 books in the field of economics including "Theory of Mass Economics" by Kim Tae-chung; 32 books in the field of religion and philosophy including "Democracy and Revolution" by Novak; and 17 books in the field of history and education including "Education and Human Liberation" by Joel Springs. Meanwhile, those books which remained banned as a result of the action taken in requesting judicial examination are as follows: 78 books in the field of politics including "Arirang 2" by "(Nim Wells)", "The Origins of the Korean War" by Bruce Cummings, and "Kim Hyong-uk Memoir" by Pak Sa-wol; 31 books in the field of economics including "Das Kapital I-1, 2, 3" by Karl Marx; 20 items in the field of social affairs including "A History of the Japanese Communist Student Movement" by Takajiwa Koji and "The Liberation" by (Maruk'uje); 27 books in the field of religion and philosophy including ("Ruk'ach'i") by (F. J. Radicchi); 16 books in the field of history and

education including "Han'guk Minjung Sa I, II" [History of Korean Masses, Vol 1, 2, 3] (published by Han'guk Minjung Sa Yon'guhoe [Institute of History of Korean Masses]); and 9 books in the field of literature and arts including "Noktu Sop'yong."

The authorities of the Ministry of Culture and Public Information said that among these titles, 16 books including "Kim Hyong-uk Memoir" and "Noktu sop'yong" have already gone through the judicial examination or are pending judicial examination. The authorities also said that [the government] will soon request judicial examination (prosecution) for 165 books, other than these 16, and that they will go through legal examination instead of the administrative guidance which they used to have to go through in the past.

As for the registration of publishers, the Ministry of Culture and Public Information said that it will notify on 19 December the authorities of cities and provinces to the effect that they may now accept applications for registration of any publishers because publishers may be allowed to register themselves with the government as long as they meet legal requirements.

Followup, Responsibility

41070009 Seoul TONG-A ILBO in Korean
20 Oct 87 p 2

[Editorial: "Partial Release of Banned Books—Hopes for Continuous Followup and Publishing Circles' Autonomous Responsibility"]

[Text] There are some standards publishers should go by when they make a decision on publishing a book. Firstly, they must figure out how useful that book would be for society as a whole. Wishing to render services in society by heightening the level of culture and knowledge of readers is the publishers' own 'charge' and their ideal. Secondly, that the book should sell well. No matter how much cultural value a publishing business may wish to provide, it would be impossible for it to exclude profit-making. Therefore, it would be natural for a publisher to figure out how well a book would sell.

Natural requirements for publishing are as follows: that one who wants to be a publisher should be allowed to register himself/herself as a publisher with the government; that he/she may be allowed to publish freely any books he/she feels justified in publishing; and that he/she must take legal and moral responsibility for his/her publishing. In the light of these major principles, the realities of our past publishing were such that we should be ashamed of them to the extent that publishing was extraordinarily ill-organized on the part of both the government and the people.

The measure the government took on 19 October to release banned books was a result of the liberalization of publishing implemented after the 29 June measure. It is a natural measure; but rather belated, one might say. As

a result of this measure, 431 out of 650 banned books, which had been proscribed since 1977 on the pretext of the so-called administrative guidance, have been released. As for remaining 181 items, [the government] requested judicial examination, placing them in the hands of the court for its decision. The release has been withheld for 38 literary works written by those authors who went over to the North or were communist authors. Thus a total of 219 books remain banned.

Such a measure—releasing the banned books—represents the government's sincere response to the long-cherished desire of the publishing circles, needless to say, and of intellectuals, including academic and cultural circles. Therefore, the historical significance of the measure is very great. However, it is imperative [at this juncture] for us to think about the following problems: the problem of how to deal with those books which still remain banned, and some problems arising in connection with the measure of making publishing autonomous, including the measure of making the registration of publishers autonomous and the measure of across-the-board abolition of the legal requirement for the issuance of certificates for the presentation of advance copies to the authorities.

First, according to data provided by the Publishing Culture Movement Association, the total number of books banned [by the government] so far is not just the 650 which have recently been examined by the Ministry of Culture and Public Information but reaches more than 1,100. This is because many publishers have so far evaded presentation of advance copies of books on many occasions for various reasons. The Ministry of Culture and Public Information gave them the ok; so these books to which the ok was given will be delivered to readers continuously from now on. On the contrary, since there are certainly many so-called subversive books among them, it is imperative to make a decision as to whether or not to release them from the ban even in an ex post facto measure.

Next comes the fact that works of those authors who are in North Korea have been withheld from release. For the past 5 years, the publishers circles and the culture circles have consistently sought a selective release of these banned books. During the period, the culture circles have earnestly requested that works of two poets, Kim Ki-rim and Chong Chi-yong, be released from the ban in view of the fact that works of these two poets are not ideological at all, and they are important personnel in the history of literature of the 1930's and 1940's. Moreover, some of the literary works of the period prior to the PRC revolution or the Soviet Union revolution have been excluded from the release through an across-the-board rejection that was exercised simply on the grounds that they are authors of the communist sphere. It is imperative [for us] to continue making efforts to work on issues of authors in North Korea and of their works.

Finally, the hard work done by 13 members of the deliberation committee who examined as many as 625 items, a tremendous number of books that had to be examined over a period of 2 months, must be appreciated. At the same time, we cannot get rid of a vague feeling of doubt as to whether they might have failed to conduct sufficient deliberation because so short a time was given to them. It is hoped that the government will remain sincere in reexamining and following up its release efforts even regarding that portion of banned books they have already worked on.

At the same time, it is hoped that the publishing circles, too, will study hard the circumstances in which "heteronomy" and "proscribing books" prevailed, and the new development of "autonomy" and "lifting the ban," and that they will not curry favor with immoderate popularity, but that they will fulfill their responsibility in advancing the publishing culture.

7989

Quarterlies To Resume Publication Next Spring
SK220203 Seoul THE KOREA TIMES in English
22 Dec 87 p 9

[Text] Two literary quarterlies "Changjak-gwa Pipyeong (Creation and Criticism)" and next spring, a literary circle source has recently said.

Publication of the two magazines, which had led literary trend of the country in 1960s and 1970s, were forcibly suspended by the government in 1980.

Appointing Prof. Paek Nak-chong of Seoul National University as its publisher, the new Changjak-gwa Pipyeong will use pure Hangul for its title. Such literary men and university professors as Yom Mu-ung, Sin Kyung-nim, Choe Won-sik and Pak Hyon-chae will participated in the magazine publication.

Meanwhile, the Munhak-gwa Chisong, naming literary critic Kim Pyong-ik as publisher, will change slightly its title as the "Munhak-gwa Sahoe (Literature and Society)" from the new spring issue.

Government To Form New Wards
SK220138 Seoul THE KOREA TIMES in English
22 Dec 87 p 3

[Text] The government will set up 13 new wards in Seoul, Pusan, Taegu, Taejon, Incheon, Ulsan and Puchon on Jan. 1, next year.

According to the Home Ministry, Kangnam-gu, Kangdong-gu, Tobong-gu, Tongdaemun-gu and Kansa-gu in Seoul will be divided into two wards respectively. The names of the five new wards will be decided later.

In Pusan, Kumjong-gu will be born out of Tongnae-gu, while So-gu in TAEGU will be divided to give rise to Talso-g.

In Incheon, two new wards called Namdong-gu and So-gu will be separated from the existing Nam-gu and Puk-gu respectively.

Chung-gu in Taejon will be divided to have a new ward named So-gu, while Pangojin municipal branch office in Ulsan will be upgraded to Pangojin-gu.

Puchon, which has a population of more than 500,000, will have two wards named Nam-gu and Puk-g.

The wards in Seoul and Pusan to be divided are ones whose population exceed 700,000, while those subject to division in Taegu, Taejon and Incheon are ones which have population of over 500,000 each.

With the government measure, there will be a total of 22 wards in Seoul, 11 in Pusan, six in Incheon and three each in Taejon and Ulsan.

Government To Push Ahead With Road Projects
SK221117 Seoul YONHAP in English
0922 GMT 22 Dec 87

[Text] Seoul, Dec. 22 (YONHAP)—The south Korean government Tuesday decided to push ahead with a large-scale road extension, paving, and repairing project to balance regional development beginning next year, the construction ministry reported.

The government will spend a total of 336 billion won (about 422.6 million u.s. dollars one dollar is worth about 795 won), including 200 million dollars worth of loans from the international bank for reconstruction and development (ibrd) on the project.

About 670 kilometers of national roads in 47 sections will be extended and paved by the end of 1992, while 1,000 kilometers of roads are to be repaired, according to the ministry.

With loans from the IBRD, the government has carried out five projects for extending and paving national roads in the past. In the fifth such project which began in 1983, the government extended and paved a total of 430 kilometers of national roads.

Aftermath of KAL Disaster

Forged Passport Masks Suspect's Nationality
SK190722 Seoul YONHAP in English
0703 GMT 19 Dec 87

[Text] Seoul, Dec. 19 (YONHAP)—An initial investigation of an Asian woman suspected of links to the disappearance of a Korean air (KAL) jetliner has

revealed that the woman is not from Korea but from a third country, possibly Japan or China, sources close to investigation authorities said Saturday.

The finding is contrary to earlier Japanese reports that the woman had protested in the Korean language against her extradition to Seoul as she was leaving a Bahraini airport, according to the sources.

The sources added that the woman, who arrived in Seoul on Dec. 15 from Bahrain, is recovering speedily and is showing signs of a willingness to talk to authorities.

Saying that the identification of the woman's true nationality does not have great significance at the moment in finding out the true picture of the plane disaster, the source added that the woman as a foreigner is subject to criminal indictment under Korean laws with proof that she and her dead male companion had boarded the ill-fated KAL flight.

The woman, identified on her forged Japanese passport as Mayumi Hachiya, is able to eat porridge and drink fruit juice and is returning to a normal state of mind, the sources said.

The interim investigation report on the woman is expected to be made public by the end of this month as she has begun responding to questions by investigation officials, they said.

Meanwhile, the transportation ministry officially announced Saturday that the missing KAL flight 858 with 115 passengers and crew members aboard is presumed to have exploded in midair while flying over the bay of Bengal off Burma. The KAL jetliner has been missing since Nov. 29 shortly before it was to make a refueling stop in Bangkok en route to Seoul.

The announcement said the plane must have been destroyed in midair by an explosion with enormous impact, pointing out that a hand pump, installed on the aircraft to pump air into a life raft which has been picked up by a Burmese freighter, had been destroyed.

The life raft, which was placed above the passenger section, must have been separated from the aircraft after the explosion because it was spotted in the Andaman sea off Burma, it said.

The life raft, with a capacity for 25 persons, was handed over by Burmese authorities to Korean authorities on Dec. 17. It is one of eight life rafts installed on the KAL aircraft.

XINHUA Reports Victims' Relatives Protest
OW211635 Beijing XINHUA in English
1607 GMT 21 Dec 87

[Text] Beijing, December 21 (XINHUA)—Flights were delayed and an x-ray machine smashed at Seoul international airport in protests Monday by relatives of people killed in a south Korean air line (KAL) crash.

According to reports from Seoul, some 200 members of the families of 115 victims killed November 29 destroyed an airport x-ray machine and shattered windows in the airport departure lounge, delaying the departure of six international flights about an hour.

The protestors were said to have carried a banner demanding that the airline guarantee their livelihoods and to have shouted "full compensation."

Most of the 115, who were aboard a KAL Boeing 707 which crashed into the sea off Burma, were workers returning from middle east construction projects.

Scuffles erupted in the international departure lounge when approximately 150 riot policemen in plainclothes dragged shouting protestors out of the lounge, but there were no injuries, a KAL official said.

Talks between KAL and the families broke down Monday when the families demanded twice the 100,000 U.S. dollars per victim that the airline offered.

The talks began after the south Korean ministry of transportation announced Saturday that all 115 aboard the plane were presumed to have died in the crash.

KAL, Relatives Agree on Compensation
SK010414 Seoul THE KOREA TIMES in English
1 Jan 88 p 3

[Text] The amount of compensation for the victims of the Korean Air jetliner which crashed on Nov. 29 with 115 people aboard was decided at 79 million won yesterday in an agreement between the representatives of bereaved family members and KAL.

According to the KAL the agreed amount of compensation will be paid to all victims uniformly without discrimination because of their amount of income or educational background.

Besides the compensation, the bereaved family members will additionally be paid 3 million won in funeral expenses, 1.5 million won for travel expenses to the crash site and 1.5 million won for erecting an epitaph, the KAL said.

A dispatch of bereaved family members to the vicinity of the crash site to hold funeral rites will be made in early January in consultation with bereaved family members.

The agreed amount of 85 million won will break down to 79 million won in compensation, 3 million won in funeral expenses, 1.5 million won for erecting epitaphs and 1.5 million won for travel expenses to the crash site, according to KAL.

In addition to the amount, KAL promised to pay all necessary tuition for middle and high schools as well as for the university education for all children of the victims.

According to a KAL source, the compensation for two foreign passengers aboard the ill-fated plane will be negotiated separately.

Kimpo Airport Tightens Carry-on Rules
SK170218 Seoul THE KOREA TIMES in English
17 Jan 88 p 3

[Text] Foreign and domestic passengers are not allowed to bring in any type of batteries or bottled liquor to the cabin of aircrafts departing Kimpo International Airport effective from yesterday.

According to the airport authority, the decision was made after learning that Korean Air 858 was blown up by a device incorporated in a battery and bottled liquor.

Bottled liquor, except those bought at the airport's tax-free shop, will be prohibited from being taken into the cabin, it said.

The authority further said all types of batteries in the radios, cassette tape recorders and cameras belonging to the passengers will be collected by flight attendants at the time of boarding and will be returned upon arrival at the destination.

Due to the strengthened measure as of yesterday, some 30 international flights including Northwest 012 bound for Detroit were delayed for about 20 minutes.

Officials 'Racing Against Time'
SK190101 Seoul THE KOREA HERALD in English
19 Jan 88 p 3

[By staff reporter Kim Hyong-kun]

[Text] Shocked by the terrorist bombing of Korean Air Flight 858 by north Korean agents, airport security officials are racing against time to prevent any airborne terrorism.

"With the Seoul Olympics only eight months or so away, we are racking our brains to devise whatever steps are deemed necessary to preempt terrorism involving aircraft," said a senior security official at Kimpo International Airport.

Three international airports of the country, Kimpo, Kimhae and Cheju, stepped up checks on such ordinary items as toothpaste, bottles of medicine and cosmetics and batteries beginning last week.

Travelers will be required to open bottles of medicine and cosmetics and tubes of toothpaste if they look suspicious, said the security official who spoke on condition of anonymity.

"But all bottles will not be opened," he said. Such items will be scanned when passengers take them through metal detectors.

In the case of liquor, small bottles like "soju" (distilled spirit) could be allowed on board after being scanned by customs officials.

Large bottles of liquor, however, will have to be put into freight containers.

Passengers will be allowed to carry any bottles of liquor bought at airport duty-free shops onto aircraft.

Any batteries in electronic devices and cameras will be separated from those items and put into a special cabinet in the cabin and will be returned to their owners after the jet arrives at the destination.

Checks on cameras will also be strengthened.

Batteries, like bottles of liquor, could be used to detonate explosives on planes, said officials at the Korean International Airports Authority (KIAA).

Kim Hyon-hui, a confessed north Korean agent, has said she and her male companion blew up KAL Flight 858 with 115 people on board using a time bomb disguised as a radio and a bottle of alcohol.

The woman has said she got the explosives from north Korean agents in Belgrade, Yugoslavia.

Security officials at Kimpo advised travelers to come to the airport earlier. They expected complaints from passengers, but said tight security at airports and elsewhere is necessary to prevent terrorism involving aircraft and other facilities.

Asked about security at Kimpo, John Brady, an employee of Flying Tiger Airlines, said, "It is a good idea. The tight security may cause inconvenience to passengers or other personnel concerned for a short time. However, I think it will improve their safety."

Inez Smith, who left Korea after visiting her daughter serving with a U.S. military unit in Taegu, however, was critical of the Kimpo security setup. She said, "It makes me tired. They check everything."

A top-ranking Red Army member, who was arrested in Japan late last year, was reported to have booked a flight to Seoul with the aim of leading a terrorist operation to disrupt the Seoul Olympics.

Kim Hyon-hui, who had previously identified herself as Mayumi Hachiya in her forged passport, said the bombing of the KAL 707 jetliner was ordered by Kim Chong-il, son and heir-apparent of north Korean leader Kim Il-song, to discourage foreign countries from participating in the Seoul Olympic Games and to stir up social unrest in the south.

Security in and around Kimpo and other international airports has already been stepped up in the wake of the arrest of the Red Army leader and the destruction of KAL Flight 858.

To locate explosives, Kimpo International Airport has recently imported six sniffer dogs from the United States. Communist north Korea last year indicated that it would attempt to disrupt the Seoul Games unless it was allowed to cohost the Olympics.

North Korea, Cuba and some other countries have expressed intentions to stay away from the Games.

SCIENCE & TECHNOLOGY

Leading Management, Technical Personnel in High-Tech Industries

41070104 Seoul MAEIL KYONGJE SINMUN in Korean 5-9, 12-14, 16, 19-20, 22-23, 26-28 Jan; 3, 4, Feb 87

[5 Jan 87 p 7]

[Text] The power of the PhD is surging into industry. PhD holders who have previously held sway in ivory towers and government research institutions have recently expanded their sphere of activities into private industries. This is because the number of companies recruiting the brightest people has increased rapidly with the advent of the hi-tech management era.

Those with PhD's in science and engineering currently working for 81 companies number 276. The number is expected to increase significantly when PhD holders working as advisers or technical consultants for industries are included.

At any rate, those PhD holders currently seem to be the driving power in hi-tech industries. Some of those display their polished skills with title of researchers while others work as brain for hi-tech industries management with title of executives.

According to a study by this paper covering 81 companies, those with PhD in science and engineering who work for those companies (excluding advisers and consultants) amounts to 276.

As late as the end of the seventies, only a few pharmaceutical companies employed only a few PhD's. However, the number of PhD's who have advanced into industries increased to a point where, currently, an average company of a big business group employs at least a few PhD's.

Lucky Goldstar Group leads the industry by employing as many as 51 PhD's. Daewoo follows by employing 34, and Samsung and Hyundai has hired 33 and 26, respectively. Meanwhile, Pohang Iron and Steel, Hanjin Group, and Choongwae Pharmaceutical has recruited 21, 14, and 9, respectively, and each of Sunkyoung Group, Ildong Pharmaceutical, Chongundang, Tong-A Pharmaceutical, and Yuhan Yang-haeng employs 6 PhD's.

Further, Korea Data Communication has five PhD's, Korea Explosives, Korea Yogurt and Sammi Group each has four PhD's, and Tong-yang Chemical, Pacific Chemical Group, Hanil Pharmaceutical, Korea Electrical Technology, and Tong-yang Precision, each, has three PhD holders. Besides, Ssangyong, Anam, Green Cross, Daewung Pharmaceutical, Poryong Pharmaceutical, Korean-German Pharmaceutical, and Doosan, each, employ 2 PhD's, and another 12 companies including Kukje Trading, Pyoksan, and Samyang Co., employ 1 PhD holder, each.

Many PhD holders are supporting the development of technology for the industry in the capacity of advisers and consultants. Accordingly, with these included, the number of the PhD holders in industries increases substantially. For example, Samsung has more than 80 PhD personnel if advisers and consultants are included, according to a well-informed employee of the group.

When grouping the PhD holders in industries by age categories, the thirties lead with 140 (50.7 percent of total 276), forming the majority, followed by the forties with 93 (33.7 percent), and by fifties with 31 (11.2 percent). Meanwhile, the twenties amount to 6, and the senior sixties number 3.

A noticeable fact is that movement of young PhD holders into industries is on the rise. Such a trend is reflected in the fact that more than half of the PhD holders working in industries are in their thirties, and that advance of PhD holders in their twenties increases every year.

The youngest of all PhD holders working in industries is Dr Chong U-chang of Pohang Iron and Steel. The 28-year-old Dr Chong majored in material engineering at KAIST. Besides Dr Chong, five other PhD holders in their twenties work in industries. Those are Dr Kim Chin-ung (pharmacology) and Dr Lee Yong-hyun (food engineering) of Cheil Sugar, Dr Kim Yong-ho (manufacturing science) of Pohang Iron and Steel, Dr Yi Chaewon (mechanical engineering) of Daewoo Motors, and Dr Shin Chae-mu (chemistry) of Hanil Pharmaceutical, and they are all the same age of 29. They are young elite who

have earned their degrees, respectively, as follows: Dr Kim of Cheil Sugar and Dr Yi of Daewoo at Seoul National University, Dr Shin of Hanil Pharmaceutical at KAIST, Dr Yi of Cheil Sugar at Mississippi State University, Dr Kim of Pohang Iron and Steel at Kobe University.

Apart from these young PhD holders, elders in their fifties, number 31, and in their sixties amount to 3. They are playing the leading role in technology management as a head or an executive at research institutions in industries. The oldest PhD holder in industries is Dr Kim Kyong-ho, head of Mok-am Life Engineering Research Institute of Green Cross. The 65-year-old Dr Kim studied clinical pathology at the Catholic University. Chairman Kang Shin-ho who runs Tong-A Pharmaceutical is a 60-year-old elder, and Tong-yang Electronic Communication Vice President Kim Chong-ryon is a 61-year-old PhD holder. Chairman Kang received a PhD in medicine at Freiburg University in Germany, and Vice President Kim earned a PhD in electrical engineering at North Carolina State University.

PhD holders in industries, however young they are, are paid in most cases at a level of managers and above. Some are paid substantially higher than the ordinary employees, while working with a title of researcher, senior researcher, or supervisory researcher for private research organizations founded by the industries, and others devote themselves to research or management with an official executive title.

Furthermore, many of them attained to the top management and are controlling not only the technological but also the overall business management. Currently, 2 PhD holders are at the chairman or vice chairman level, 14 are at president level, and 8 are at vice president level. Tong-A Pharmaceutical Chairman Kang Shin-ho represents the PhD at chairmanship, and Pyoksan Group Vice Chairman Kim Hi-chol holds a PhD in atomic engineering which is a rare commodity in the country.

Among the PhD holders at the presidency level are Kim Chu-chae (chemical engineering) of Anam, Pak Pyong-chol (arms material) of Ssangyong, Yun Chik-sang (metallurgy) of Sammi General Special Steel, Yi Yong-tae (physics) of Korea Data Communication, Cho Sa-hong (brewery) of Doosan Agricultural Products, Kim Kyong-ho (clinical pathology) of Mok-am Life Engineering Research Institute under Green Cross, Yun Koe-pyong (veterinary) of Korea Yakurt, Han Tae-hi (chemical engineering) of Lucky Development, Nam Chong-hyun (civil engineering) of Daewoo Engineering, Pae Sun-hun (mechanical engineering) of Daewoo Automobile Parts, Han Chong-sang (geology) of Hanso Engineering, Ku Chi-hoe (chemistry) of Ka-in System, and Yi Pum-chon (electronics) of Cunix.

Among the PhD holders at the vice presidency level are Yi Chin-u (fibers) of Kukje Trading, O Won-shik (pharmacology) of Pacific Chemical, Pak Song-kyu (electronics) of Daewoo Communications, An Chung-sung (civil

engineering) and Kim Yong-dok (civil engineering) of Hyundai Heavy Industry, Yi Han-pyo (pharmacology) of Chung-oe Pharmaceutical, Kim Chong-ryon (electrical engineering) of Tong-yang Electronic Communication, and Kim Chol-u (metallurgy) of Pohang Industrial Technology Research Institute.

When grouping the PhD holders in industries by their majors, engineering leads with 185 (67 percent), followed by natural sciences with 49 (17.7 percent), pharmacology with 31 (11.2 percent), medicine with 4, agriculture with 3, and miscellaneous with 4.

When their majors are further broken down, chemistry leads with 35, followed by pharmacology with 31, material engineering and mechanical engineering with 29, each, chemical engineering with 26, electronics engineering with 23, and metallurgical engineering with 20. The above fact reflects the major fields on which the industries' efforts of research and development are focused. For example, it indicates current vigorous research activities in industries in the fields of precision, chemicals, new materials, electronics, and machinery.

The above majors are followed further by electrical engineering with 17, ship-building engineering with 10, physics with 7, and biology and microbiology with 5, reflecting the industries' efforts to secure top intellectual personnel in these fields as well. Besides, industries employ three to four PhD holders with majors in each of agriculture, civil engineering, fibers, and foods.

Those PhD holders are widely distributed in terms of the universities and the countries conferring the degrees. The number of schools conferring the degrees to those 276 PhD holders is no less than 97.

Grouping by countries, the United States leads with 131 (47.5 percent), followed by Korea with 99 (35.8 percent), France with 13 (4.7 percent), Japan with 12 (4.3 percent), West Germany with 8 (2.9 percent), Canada with 4, United Kingdom with 3, Austria with 3, Australia with 2, and Belgium with 1.

Grouping by universities, KAIST and Seoul National University lead with 24, each, followed by Songkyunkwan University and Korea University with 12, each. Among those with degrees received from schools in Korea, pharmacology majors lead in number.

MIT and University of Minnesota follow next with nine, each, leading all foreign universities. Next comes Stanford University with seven, and the University of Illinois, Ohio State University, University of California, and University of Michigan each has five. Also, New York University, Northwestern University, Yonsei University, ENSM of France, and University of Wisconsin, each, graduated five. Further, Tokyo University, Choongang University, University of Houston, and Texas Tech University, each, has four. Also included in

the list of the institutions conferring the degrees are Imperial of United Kingdom, Monarch of Australia, and De Obemonta of Austria, and Ghent of Belgium.

[6 Jan 87 p 7]

[Article by Chon Hang-su]

[Text] The Lucky Goldstar group, with the group symbol, "Mankind, Technology, and Future," is focusing on the management on futuristic high-tech areas such as chemical, electrical, electronics, and communications.

They are attempting to make a new leap aiming at the forthcoming 21st century by expanding the high-tech facilities and the investment on research and development (R&D) in the areas of genetic engineering, fine structural chemistry, new materials, optical communications, semiconductors, and space engineering.

In order to achieve this goal, the group is planning to drastically increase the spending in R&D from the current 4.5 percent of the total sales to 7 percent in 1990's, which is the standard for the developed countries, and to increase to more than 20 percent in 2000's.

They also plan to establish a world-class integrated research town by gradually expanding their electrical and communications area research complex No 1 in Anyang and the chemical area research complex No 2 in Taedok. They also plan to set up a high-tech valley within the Taedok Science Town, which has combined characteristics of Silicon Valley and the "genetics valley" of the United States.

At the same time, they plan to actively recruit domestic and foreign trained PhD's who will be the driving force in high-tech development, to reinforce the training of researchers by sending them to developed countries, and to produce high-level technical manpower by establishing a post-graduate level science and engineering school.

A strong group bias for high-tech industries is reflected by the number of 51 PhD's in the science and engineering field, the largest number among the conglomerates. These 51 PhD's in 10 subsidiary group companies are actively working to lead into the 21st century the group who are pursuing their motto of "Mankind, Technology, and Future."

The distribution of PhD's among the group companies is as follows: Goldstar Semiconductor has the largest number of 15, Lucky, Ltd. has 14, Goldstar Electric Cable has 5, and Goldstar has 5.

Goldstar Instrument & Electric Co. and the Korea Mining and Smelting Co., each has 3, Goldstar Electric Co. has 2, and Goldstar Communications Co., Lucky Development Co., and Honam Refinery each has 1.

Goldstar Semiconductor Co., which has the largest number of 15 science and engineering PhD's, participated in the construction of the information and communication network for the 1986 Asian Games. The company also succeeded in developing the 256K RAM. They plan to develop the design, manufacturing and assembling technology of the most up-to-date logic component and the Ultra Large Integrated Circuit (ULIC).

Lucky, Ltd., which has 14 PhD's, succeeded in developing non-polluting agricultural chemicals in 1985. During this year, the company was focusing on the development of a special polymer and beta-gamma interferon.

Goldstar Co. with five PhD's is trying to increase the export and production of their local companies in the United States and West Germany. Concurrently, they plan to emphasize the development of semiconductor design, high-frequency technology, and optical technology.

Goldstar Electric Cable Co. plans to develop technology in shape-memory alloy, new materials development, and production technology using lasers. Goldstar Instrument & Electric Co. plans to develop technology in the area of the digital distributed control system and the programmable control.

The age group of these PhD's is as follows: 37 are in their thirties, 7 in their forties, and 7 in their fifties. Although they have no PhD's in their sixties and twenties, these active middle-age PhD's with a variety of experiences consist of the company's core members.

Among the senior PhD's are Han Tae-hi (59), president of Lucky Development; Choe Ho-hyon (55), vice president (VP) of Goldstar Instrument & Electric Co.; Kang In-ku (53), senior vice president of Goldstar Semiconductor. The youngest PhD in the group is Kim Yong-ju (31), a researcher in Lucky Ltd.

Current Status of Science and Engineering PhD's In Lucky Goldstar Group:

Lucky:

Choe Nam-sok (52), Senior VP, Polymer Science, Brooklyn U. Yo Chong-gi (41), Director, Chemical Eng., Lehigh U. O Hon-sung (41), Director, Organic Chemistry, McGill U. Yi Kyong-u (35), Senior Researcher; Chemistry, KAIST* Cho Chung-myong (39), Senior Researcher, Zoology, Houston U. Song Chi-yong (37), Senior Researcher, Chemical Eng., Cornell U. Kim In-ho (32), Researcher, Chemical Eng., KAIST Kim Yong-chu (31), Researcher, Chemistry, KAIST Kim Chun (34), Researcher, Chemistry, U. of Illinois Chong Sang-hon (32), Researcher, Organic Chemistry, Houston U. Kim

Chae-su (34), Researcher, Polymer, KAIST Yi Hyong-man (34), Section Chief, Chemical Eng., SNU* Son Pyong-ki (37), Researcher, Chemistry, U. of Texas Pak Chong-ok (35), Researcher, Chemistry, Carnegie-Mellon U.

Goldstar:

Hwang Hyon-sik (52), VP, Electronic Eng., Utah State U. Kim Chong-sun (38), Director, Electrical Eng., Stanford U. An Kyu-ho (35), Industrial Eng., Northwestern U. Han Chol-hi (33), Senior Researcher, Electrical Eng., KAIST (Pak Chong-uk) (32), Metallurgical Eng., Ohio State U.

Goldstar Communications:

Mun Chu-hwan (32), Researcher, Electrical Eng., U. of Virginia

Goldstar Electric Cable:

Chang Kun-ho (50), VP, Physics, Catholic U. Ch'oe Sang-sam (47), Physics, Ohio State U. Kang Yong-chung (38), Director, Electronic Eng., Oregon U. T'ak Yong-bong (35), Senior Researcher, Electrical Eng., Kent U. Ch'oe In-sik (34), Senior Researcher, Materials Eng., KAIST Pae Hon-jae (37), Senior Researcher, Applied Chemistry, Tohoku U. (Japan)

Goldstar Electric:

Song Kil-ho (35), Senior Researcher, Electronic Eng., KAIST Kim Tong-bom (33), Electrical Eng., Yonsei U.

Goldstar Instrument & Electric Co.

Choe Ho-hyon (55), VP, Control Eng., Saskatchewan U. Yim Hang-yong (34), Senior Researcher, Electrical Eng., New York U. An Chae-bong (32), Researcher, Electrical Eng., Yonsei U.

Goldstar Semiconductor:

Min Pyong-jun (51), Senior VP, Computer Sci., Purdue U. Kang In-gu (53), Senior VP, Electronics Eng., U. of New Mexico Kim Chang-su (46), Senior VP, Electronics Eng., U. of Florida Yi Hi-kuk (35), Deputy Plant Chief, Electronics Eng., Stanford U. Choe Min-song (40), Executive Researcher, Materials Eng., U. of Florida Yi Chuhon (33), Exec. Researcher, Computer Sci., U. of Illinois Kang Song-ho (37), Exec. Researcher, Electronics Eng., Stanford U. Choe Sang-hyon (41), Exec. Researcher, Physics, Osaka U. (Japan) Kim Chang-un (39), Exec. Researcher, Elec. Eng., U. of Pittsburgh Yu Un-yong (36), Exec. Researcher, Electronics Eng., U. of Ohio Pak Yong-chun (35), Senior Researcher, Computer Sci., U. of Mass. Yi Kwi-ro (35), Manager, Electronics Eng., U. of

Minnesota Yu Yong-gap (39), Senior Researcher, Computer Sci., U. of Michigan Pak Se-gun (34), Manager, Electronics Eng., U. of Texas Song Nak-un (34), Manager, Electrical Eng., U. of Texas

Lucky Development:

Han Tae-hui (59), President, Chemical Eng., U. of Minnesota

Honam Refinery:

Ho Tong-su (44), Senior VP, Chemical Eng., U. of Wisconsin

Korea Mining & Smelting Co.:

Kang Mun-sun (35), Senior Researcher, Materials Eng., Berlin U. Choe Chong-chol (34), Senior Researcher, Materials Eng., Tokyo Institute of Technology Han Chong-sop (33), Researcher, Materials Eng., KAIST

*KAIST: Korea Advanced Institute of Science and Technology *SNU: Seoul National University

[7 Jan 87 p 7]

[Article by Chon Hang-su]

[Text] The 51 active PhD's in science and engineering in the Lucky Goldstar Group hold positions of assistant manager or above. Fourteen of them are directors or above.

President Han Tae-hi of the Lucky Development Co. is exercising his managerial capabilities as the Chief Executive Officer (CEO). Choe Nam-sok, director of the Lucky Central Research Institute, Min Pyong-chun, Kang In-gu, and Kim Chang-su of the Goldstar Semiconductor, and Ho Tong-su of Caltex are the five senior VP's of the group.

Hwang Hyon-sik (Goldstar), Chang Kun-ho (Goldstar Electric Cable), Choe Sang-sam (Goldstar Electric Cable), Choe Ho-hyon (Goldstar Instrument & Electric Co.) are the four VP's. And Yo Chong-gi (Lucky), O Hon-sung (Lucky), Kim Chong-sun (Goldstar) and Kang Yong-jung (Goldstar Electric Cable) are the four directors.

The intellects in the Lucky Goldstar Group are dominated by those who got their degrees in foreign countries. Among the 51 PhD's in the group, only 10 of them are domestic PhD's.

All of the domestic PhD's are "young powers" in their thirties and eight of them are from KAIST: Yi Kyong-u (Lucky), Kim Chae-su (Lucky), Kim In-ho (Lucky), Kim

Yong-ju (Lucky), Han Chol-hi (Goldstar), Song Kil-ho (Goldstar Electric), Choe In-shik (Goldstar Electric Cable), and Han Chong-sop (Korea Mining & Smelting Co).

Two of them, Kim Tong-bom (Goldstar Electric) and An Che-bong (Goldstar & Electric Co.), are from Yonsei University and Yi Hyong-man of Lucky is the only one from SNU.

Foreign PhD's are from five countries: the United States, Japan, Canada, West Germany, and Belgium. Among 41 foreign PhD's, 34 got their degrees from the United States; those from Ohio State University, Stanford University, and the University of Texas consist of 3 each.

VP Choe Sang-sam (Goldstar Cable), Executive Researcher Yu Un-yong (Goldstar Semiconductor), and Senior Researcher Pak Chong-uk (Goldstar) are from Ohio State University. Director Kim Chong-sun (Goldstar), Deputy Plant Chief Yi Hi-guk (Goldstar Semiconductor), and Executive Researcher Kang Song-ho (Goldstar Semiconductor) are from Stanford University.

Manager Pak Se-gun (Goldstar Semiconductor), Manager Song Nak-un (Goldstar Semiconductor), and Researcher Son Pyong-gi (Lucky) are from the University of Texas.

President Han Tae-hi (Lucky Development) and Manager Yi Kwi-ro (Goldstar Semiconductor) are from the University of Minnesota; Executive Researcher Yi Chuhon (Goldstar Semiconductor) and Researcher Kim Chun (Lucky) are from the University of Illinois; and Senior Vice President Kim Chang-su (Goldstar Semiconductor) and Executive Researcher Choe Min-song (Goldstar Semiconductor) are from the University of Florida.

Those who got their degrees from Japan are the Executive Researcher Choe Sang-hyon (Goldstar Semiconductor, Osaka University), Senior Researcher Pae Hon-chae (Goldstar Electric Cable, Tohoku University) and Senior Researcher Choe Chong-chol (Korea Mining & Smelting Co., Tokyo Engineering College).

In addition, Director O Sung-hon (Lucky) and VP Choe Ho-hyon (Goldstar Electrical Instruments) are from Canada; Senior Researcher Tak Yong-bong (Goldstar Electric Cable) is from Kent University in Belgium; and Senior Researcher Kang Mun-sun (Korea Mining & Smelting Co.) is from Berlin University in West Germany.

According to their specialties, the leading area is electronics engineering (10 PhD's) followed by electrical engineering (9), chemical engineering (6), chemistry (5), metallurgical engineering (4), physics (3), and computer science (3).

In addition, polymer engineering, organic chemistry, and materials engineering have two PhD's each; zoology, industrial engineering, applied chemistry, control engineering, and computer engineering have one PhD each.

These top brains in the Lucky Goldstar Group made substantial contributions to the industrial progress and earning dollars through increased export.

Senior VP Kim Chang-su (Goldstar Semiconductor), who got his BS degree in atomic engineering at SNU and PhD in electrical engineering from the University of Florida, was the team leader of the 256K RAM development project last year.

Senior VP Kang In-gu (Goldstar Semiconductor), who graduated from the Korea Naval Academy and got his PhD in electronics engineering from the University of New Mexico, has developed high-tech medical instruments jointly with KAIST. VP Choe Sang-sam (Goldstar Electric Cable), who worked for KAIST after getting his PhD in physics from Ohio State University, is the leader in developing the optical communication system.

Furthermore, Director Yo Chong-gi, who got his PhD in polymer engineering from Lehigh University, has developed engineering plastic at Lucky and Director O Sung-hon, who got his degree from McGill University in Canada, played a major role in developing nonpolluting agricultural chemicals.

[8 Jan 87 p 7]

[Article by Kim Chin-su]

[Text] When the Samsung group announced their investment plan to the semiconductor area several years ago, many people were skeptical about calling it a "Chairman Yi Pyong-chol's gamble."

It was because the semiconductor business requires an enormous initial investment but is risky due to its rapid developmental speed and difficulty in predicting its success or failure. However, the stubborn group Chairman Yi Pyong-chol, declaring the semiconductor to be his lifetime business, has brought up the group's semiconductor business to a status comparable to that of developed countries in such a short period of time, sometimes he himself studying this area.

The main reason for the group being able to settle the risky business in a short period of time is their brave strategy on technology development and investment on facilities, and furthermore supporting high-caliber manpower.

The Samsung Group plans to invest 1 trillion won (approximately \$1.25 billion) this year in the areas of semiconductor as a major emphasis, electronics, communications, aviations, precision machinery and tools,

petrochemical engineering, and genetic engineering. Approximately 280 billion won (\$350 million) out of 1 trillion won is allocated to R&D.

Such an investment plan indicates the group's determination in the high-tech industry.

Together with a brave investment strategy, Samsung has been recruiting high level brains who will improve and develop these technologies. The group's number of science and engineering PhD's who are engaged in active duties is 33, and the number will rise to 80 if consultants and technical advisers are included.

These high level brains are leading Samsung's high-tech industries.

The PhD's are distributed as follows: the Samsung Semiconductor and Telecommunications (SST), specializing in semiconductors, telecommunications, and computer business, has the largest number of 16 PhD's (24 if the local employees in the United States are included); Samsung Electronics has 8; Cheil Sugar has 7; and Samsung Heavy Industries and Samsung Precision has 1 each.

If the technical advisors, local employees in the United States, and technical consultants are included, Samsung has more than 80 science and engineering PhD's who are leading the group's high-tech industries, according to a well-informed group employee.

The SST, which has the largest number of PhD's in the group, succeeded in developing 256K S-RAM and 1 Mega D-RAM, 64K S-RAM, total electronic busing system TDX-1, and 16-bit super microcomputer last year.

The company aims at developing a mass production system of 1 Mega D-RAM and 256K S-RAM, diversification of the noncommercial IC (Integrated Circuits) production, and information and communications equipment and terminals this year.

The Samsung Electronics, with eight PhD's, successfully developed materials for VTR headdrum and 4 mm VTR last year. This year, the company plans to digitalize and upgrade home appliances, and to develop industrial products and materials.

The Cheil Sugar, with seven PhD's, succeeded in commercialization of aspartame and production of interferon last year. This year's goals of the company includes the expansion of genetic engineering products and the development of processed foods.

Other group companies' technology development goals of this year are as follows: Cheil Wool aims at developing highest quality work products; Cheil Synthetic Textiles, at developing non-fabric materials; Samsung Brown

Tube, at developing products of high added value; Samsung Corning Co., at developing fine ceramics products; Samsung Precision at developing automation systems and optical products; Samsung Heavy Industries at Mechatronics technology development.

It is these highly qualified brains that will accomplish these technical development goals.

Grouping by age, 17 are in their thirties followed by 14 in their forties and 2 in their twenties. Unlike other groups, Samsung group does not have PhD's in their fifties or sixties.

Senior PhD's include 48-year-old Senior VP of the SST Yi Sang-jun, 47-year-old Executive VP of the SHI Chi Kyu-ok, and Ch'oe Hyon-muk and Yi Chong-gil, both 46-year-old VP and director, respectively, of the SST.

The group also has two youngest PhD's in their twenties who are actively involved in the high-tech development. Kim Chin-ung and Yi Yong-hyon of Cheil Sugar, both 29 years old, are the two youngest PhD's in the group. Kim got his degree in pharmacology from SNU and Yi, in food engineering from Mississippi State University.

These PhD's are working hard in high-tech development in either the group affiliated research institutes or management frontline of group companies.

Current Status of Science and Engineering PhD's in Samsung Group:

Samsung Heavy Industries:

Chi Kyu-ok (47), Executive VP, Mechanical Eng., Washington U.

Samsung Precision:

An Tae-yong (45), Senior VP, Mechanical Eng., Penn. State U.

Cheil Sugar:

Yi Che-hung (37), Executive Researcher, Enzyme Eng., New South Wales U., Australia Yim Che-yun (38), Senior Researcher, Food Chemical Eng., Kyushu U. Hyon Hyong-hwan (35), Senior Researcher, Microbiology, U. of Wisconsin Kong Un-yong (40), Senior Researcher, Food Eng., Yonsei U. Kim Chin-ung (29), Researcher, Pharmacology, SNU Yi Yong-hyon (29), Researcher, Food Eng., Mississippi State U. Pak Ne-hon (33), Researcher, Biology, New South Wales U., Australia

Samsung Electronics:

Hwang Shi-yong (34), Researcher, Computer Science, KAIST Song Hyo-il (33), Researcher, Electronic Materials, Yonsei U. Hong Song-am (33), Researcher, Materials Eng., Korea U. Han Sang-u (35), Researcher, Metallurgical Eng., Korea U. Pak T'ae-sok (41), Executive Researcher, Electrical Materials, Bochum U., West Germany Pak Chong-wan (39), Senior Researcher, Metallurgical Materials, Illinois State U. Chang Yun-gi (37), Senior Researcher, Metallurgical Materials, Reoben U., France Pak Chu-hun (32), Researcher, Polymer, Korea U.

Samsung Semiconductor and Telecommunications:

Yi Sang-jun (48), President, SSI U.S.A., Electrical Eng., U. of Minnesota Yi Il-bok (42), VP, SSI U.S.A., Electrical Eng., U. of Minnesota O Shin-mu (45), Vice President, Materials Eng., Iowa State U. Ch'oe Hyon-muk (46), VP, Electronics Eng., U. of Minnesota Pak Haksong (44), Director, Electronics Eng., U. of Minnesota Yi Chong-gil (46), Director, Electronics Eng., Notre Dame U. Pak Yong-ui (40), Director, Electronics Eng., U. of Michigan Song Song-hae (40), Director, Electronics Eng., Keiyo U., Japan Ch'oe Sok-ki (40), Director, Electronics Eng., U. of Wisconsin Ch'oe Kyu-hyon (40), Director, Solid State Physics, U. of Oregon Yang Hong-gun (31), Researcher, Electronic Materials, KAIST Pak Hi-kyun (36), Manager, Metallic Materials, U. of North Carolina Ch'oe Su-han (35), Manager, Metallic Materials, UC Berkeley Yim Hyong-gyu (34), Manager, Electronics Eng., U. of Florida Yi Mun-yong (35), Manager, Metallurgical Materials, Ohio State U. Shin Yun-sung (32), Assistant Manager, Electronics Eng., KAIST

[9 Jan 87 p 7]

[Article by Yi Chin-su]

[Text] In addition to these science and engineering PhD's, Samsung has a vast manpower necessary for R&D. For example, Samsung Semiconductor and Telecommunications (SST) has more than 700 R&D personnel including 24 PhD's.

Samsung Electronics Research Institute has about 2,000 researchers including 8 PhD's; Cheil Sugar has 70 researchers including 7 PhD's.

In the long run, this R&D manpower is leading the high-tech industries of the Samsung group.

Among the science and engineering PhD's, 12 of them are actively working in technical management as top managers, and the remaining PhD's are involved in research in the group's various research institutes.

Executive manager level PhD's include: Chi Kyu-ok, executive VP of Samsung Heavy Industries; An Tae-yong, senior VP of Samsung Precision; SST's Senior VP

Yi Sang-chun, VP's Yi Il-bok, O Shin-mu and Choe Hyon-muk, and Directors Yi Chong-kil, Pak Yong-ui, Song Song-hae, Choe Sok-ki, Choe Kyu-hyon, and Pak Hak-song.

Samsung Heavy Industries' Executive VP Chi Kyu-ok is known to be an expert in the shipbuilding area. He got his BS from SNU and PhD in mechanical engineering from Washington University and has experience in teaching as an assistant professor at Toledo University in the United States.

An Tae-yong, senior VP of Samsung Precision, got his BS from SNU and PhD in mechanical engineering from Pennsylvania State University. Dr An used to work for the Korea Institute of Machinery and Metals (KIMM) and Advanced Defense Development (ADD).

Senior VP Yi Sang-jun of SST, who was recruited when the company launched a full-fledged semiconductor business, is a PhD in electrical engineering from the University of Minnesota and has worked for the Honeywell Co. of the United States before joining Samsung. He is currently president of SSI established locally in the United States. Since he joined Samsung, he has been actively involved in the development of 64K D-RAM. VP Yi Il-bok also got his PhD from the University of Minnesota and is currently working for SSI USA, as the team leader of the 256K D-RAM and 1M D-RAM development project.

VP Choe Hyon-muk of SST, an electronics PhD from the University of Minnesota, is playing a major role in the IC development project for communications application. VP O Shin-mu is a materials engineering PhD from Iowa State University.

SST also has other six director level PhD's. Among them, Pak Yong-ui is a team leader of the 256K D-RAM and 1M D-RAM development project domestically and is closely working with the SSI, USA. Yi Chong-gil and Ch'oe Kyu-hyon are contributing to the enhancement of the semiconductor technology by working as team leaders of the semiconductor process development project and the 256K S-RAM development project, respectively.

Grouping by country, the United States takes the lead, with 18 PhD's followed by Korea with 9, Japan and Australia with 2 each, and West Germany and France with 1 each.

Grouping by individual university, the University of Minnesota leads with four (Yi Sang-jun, Yi Il-bok, Ch'oe Hyon-muk, and Pak Hak-song) and all of them are working in the areas of semiconductors and communications. Three PhD's are from the KAIST (Hwang Shi-yong of Samsung Electronics, Yang Hong-gun of SST, and Shin Yun-sung of SST) and another three are from Korea University (Hong Song-am, Han Sang-u, and Pak Chu-hun, all of Samsung Electronics).

Moreover, two are from Yonsei University (Kong Un-yong of Cheil Sugar and Song Hyo-il of Samsung Electronics) and two are from the New South Wales University in Australia (Yi Che-hung and Pak Ne-hon, both of Cheil Sugar). Dr Yi Che-hung got an award from the "Chung Chin-gi (founder of the MAEIL KYONGJE SINMUN) Press and Cultural Foundation" in recognition of his development of the Phenilaline, raw material for aspartame.

Grouping by specialty, materials engineering leads with 10 PhD's, followed by electronics engineering with 7, electrical engineering with 3, mechanical engineering and food engineering with 2 each, enzyme engineering, food chemical engineering, microbiology, pharmacology, biology, computer science, metallurgical engineering, organic polymer, and solid state physics with 1 each.

According to the company's area of specialization, SST recruited PhD's who are mostly in the areas of materials, electronics and electrical engineering; Samsung Electronics showed a similar trend.

The SST and Samsung Electronics hired many materials engineering majors. This reflects the fact that Samsung is heavily involved in electronics and semiconductor materials development unlike other groups.

As a result, Samsung Electronics developed an aluminum alloy, basic material for the VTR head drum and single-crystal pelite which is the basic material for the head. The key player in these developments is Dr Pak Tae-sok from Yonsei University and Bochum University in West Germany.

Cheil Sugar Co., who has been actively participating in genetic engineering from several years ago, has a variety of manpower in the related areas of enzyme engineering, microbiology, food engineering, and biology. Three of them, Yi Che-hung, Hyon Hyong-hwan, and Pak Ne-hon, are company-funded foreign trained PhD's.

Dr Yi Che-hung already made substantial contribution to the company by developing aspartame material and Dr Hyon has developed interferon for injection jointly with the company's Ugentech, a local company established in the United States and the product is currently under clinical experiments.

Samsung group, with a vast number of high-level brains, is opening an era of high-tech industries.

[12 Jan 87 p 7]

[Article by Ho Jun]

[Text] The Hyundai group is planning to enhance their major companies to a world-level industry while settling them as the "People's Companies."

They decided to put every effort in the high-tech development as their group management goal at any risk while heading for the world-level business.

Group Chairman Chong Chu-yong launched the Hyundai Electronics Co. in February 1983 against the advice of the senior members in the business circle and discouragement of his close advisers. Chairman Chong jumped into the electronics industries by saying that "The electronics area is the biggest and the last challenge in my life and I am sure I can overcome this." The increase in the capital of the company to 140 billion won (\$175 million) in just 4 years from the initial capital of 10 billion won reflects Chairman Chong's determination.

Hyundai is going to be transformed by maximizing the group's power based on its electronics and automobiles as the group's leading force.

The Construction and Heavy Industries, which have been the group's major forces so far, plan to enhance the international competitiveness by improving the added value to the products through internal reorganization.

In order to achieve these goals, the group is planning to make a new investment of 1.1 trillion won (\$1.4 billion) in total including the 600 billion won in the Hyundai Motor Co. (HMC); 200 billion won of which will be spent in R&D in the areas of electronics, mechanical, shipbuilding, construction, and plant engineering.

This indicates to us the group's dedication to the high-tech development and the group is betting its future on the high-tech development.

The group has long been recruiting the domestic as well as foreign trained PhD level brains to support these goals. In addition, the group has been forging the R&D basis by sending their employees to technically developed countries for higher education and training.

The number of the group's current PhD's in science and engineering is 30. The number increases to about 50 if advisers are included, according to a well-informed employee.

These highly-educated manpower are the major force which drives the group's high-tech businesses; and the future of the Hyundai group is dependent upon these brains.

The Hyundai Heavy Industries Co., Ltd. (HHI), who has the largest number of PhD's among the group companies, has the Maritime Research Institute, Welding Research Institute, and the Genetic Research Institute in Ulsan; and 18 PhD's are working in these research institutes.

Furthermore, the Maritime Research Institute has 121 researchers in total, including 46 MS's and 22 BS's, who are actively involved in R&D in various offshore structures and ships.

The Welding Research Institute has 72 researchers altogether, including 15 MS's, 14 BS's, and technicians and assistants.

The HHI developed core shipbuilding-related technology through various experiments by using more than 50 ship models last year at the Maritime Research Institute, which is equipped with the largest research facilities in the country.

The company is planning to develop pollution control facilities, energy efficient industrial facilities, and the industrial robot technology. 27.9 billion won has been set aside for these development efforts.

The HMC, which has four PhD's, is planning to export about 400,000 automobiles to the world, including the European countries this year, following the export of 150,000 vehicles last year.

In order to achieve this goal, HMC is going to finish by June 1987 the expansion project of the Ulsan plant with an annual production capacity of 750,000 vehicles and will invest 600 billion won in the Mabukni Integrated Research Institute for R&D.

After the preparation period, the Hyundai Electronics Co. (HEC) is emerging as one of the major group companies which is expected to make profits starting this year.

The large-scale integrated plant in Incheon which was completed last October will produce and export various high-tech products, including semiconductors and computers, which will amount to \$500 million.

In addition, HEC is aiming at achieving 10 percent share of the U.S. memory chips market; and the company is also emphasizing research in the area of design and manufacturing of memory and logic chips.

The Hyundai Engineering and Construction Co. (HECC) is planning to develop an energy-efficient system engineering and to promote diversification of the market. The Incheon Iron and Steel Co. is planning to produce high-quality steel and develop module steel products. The Hyundai Precision and Industry Co. is planning to develop high-quality aluminum containers.

Grouping these PhD's by age, the thirties leads with 18, followed by the forties with 10, and the fifties with 2.

Among the senior PhD's are HHI's 52-year-old Executive Vice President Kim Yong-dok and 51-year-old Vice President Yim Song-ju.

Unlike other groups, Hyundai group does not have PhD's in their twenties or sixties. Instead, the group has mid-age PhD's with a variety of experiences.

The youngest PhD's are HHI's Yom Tok-chun, Yi Chung-dong, and Cho Che-su.

Drs Yom and Yi got their degrees in naval architecture from the University of California at Berkeley in 1985 and Yom joined HHI in May and Yi about a month later. They are both doing research in shipbuilding area.

Current Status of Science and Engineering PhD's in HHI:

An Ch'ung-sung (49), Executive VP, Naval Architecture and Ocean Eng., MIT Kim Yong-dok (52), Executive VP, Civil Eng., Western Ontario U. Chong Kwang-hun (42), Senior VP, Mechanical Eng., New York U. Yim Song-chu (51), VP, Mechanical Eng., U. of Houston Kim Ch'i-sang (41), Director, Chemical Eng., MIT Cho Che-su (33), Mechanical Eng., U. of Southern California Yu Pyong-gon (40), Principal Researcher, Naval Architecture, UC Berkeley Hong Tu-p'yo (39), Principal Researcher, Mechanical Eng., Alberta U., Canada Cho Kyu-nam (34), Senior Researcher, Naval Architecture, U. of Michigan Yom Tok-chun (33), Senior Researcher, Naval Architecture, UC Berkeley Yi Ch'ung-dong (33), Senior Researcher, Naval Architecture, UC Berkeley Yi Ho-song (34), Senior Researcher, Naval Architecture, Stevens Inst. of Technology Chong Kyun-yang (38), Senior Researcher, Naval Architecture, U. of Michigan Pak Tong-han (36), Senior Researcher, Materials Eng., Northwestern U. Kim Hi-jin (34), Senior Researcher, Materials Eng., UC Berkeley O Yong-jun (39), Senior Researcher, Biology, Stuttgart U. Kim Yun-ho (42), Principal Researcher, Naval Architecture, UC Berkeley Yi Kyu-hyon (34), Senior Researcher, Eng. Chemistry, Hanyang U.

[13 Jan 87 p 7]

[Article by Ho Chun]

[Text] The 30 science and engineering PhD's actively engaged in research at the Hyundai group hold positions of section chief or above.

These well-treated PhD's are leading the high-tech development for the group.

Among these, 13 of them are actively working in the capacity of technical managers by harmoniously combining technical and managerial skills.

Top manager level PhD's include HHI's Executive VP's An Ch'ung-sung and Kim Yong-dok and Senior VP Chong Kwang-hun. These three are exercising technical management skills as the troika of the company. In HEC, two senior VP's, Chon Tong-u and Pak Kwang-o are leading the high-tech development.

Yim Song-gyu and Kim Yun-ho are working as HHI's VP's, the director level PhD's are Chong Kyong-sop (HECC), Ha Ho-bu (HECC), Kim Ch'i-sang (HHI), Yu Pyong-gon (HHI), Hong Tu-p'yo (HHI), and Yi Tae-un (HMC).

In particular, all the PhD's at HHI have positions of manager or above, and are enjoying special favors such as company-provided apartments.

The majority of the PhD's in the group got their degrees from foreign universities. Twenty-seven out of 30 PhD's altogether got their degrees from foreign countries.

Twenty-four of the foreign PhD's got their degrees from the United States, 3 from Korea, 2 from Canada, and 1 from West Germany.

Grouping by school, the University of California at Berkeley leads with five: Kim Yun-ho, Yu Pyong-gon, Kim Hi-jin, Yi Ch'ung-dong, and Yom Tok-chun, and all of them are working for HHI.

Among them, Kim Yun-ho and Yu Pyong-gon got their degrees in 1979. Dr Yu made a major contribution to the establishment of the Hyundai Maritime Research Institute (HMRI) in October 1984. He arranged an opportunity for Dr Kim, who was working for the U.S. David W. Taylor Naval Ship R&D Center after getting his degree, to join the HMRI in August 1986.

Yi Chung-dong and Yom Tok-chun were classmates of the SNU, got their degrees from the UC Berkeley at the same time and also joined HMRI at the same time.

The University of Michigan follows Berkeley with three: Chong Kyun-yang (HHI), Cho Kyu-nam (HHI), and Yim Myong-t'aik (Hyundai Precision); the University of Houston with two: Ha Ho-bu (HECC) and Yim Song-ju (HHI); Wisconsin State University with two: Ye Pyong-jun (HMC) and Kim Ch'ang-ho (HMC).

Two MIT PhD's, An Chung-sung and Kim Chi-sang, are working for HHI.

The HMC's Ye Pyong-jun and Kim Ch'ang-ho got their degrees from the same school at the same time and also joined the company at the same time. Ye Pyong-jun worked for HMC before he started working for his degree.

The domestic PhD's are Kim Yong-gil (HEC), So Chan-yong (IIS) both from Yonsei University, and Yi Kyu-hyon (HHI) from Hanyang University.

The HEC's Kim Yong-gil is doing research on electronic equipment. His development is transferred to Associate Manager Yi Sin-hyong at the Production Technology Department, and is transformed into high-tech products.

The majority of these PhD's specialize in the area of naval architecture and mechanical engineering, which is Hyundai group's main-stream business area.

Those who majored in naval architecture, ocean engineering, and mechanical engineering lead with eight followed by metallurgical engineering with two, chemical engineering with two, and materials engineering with two. In addition, structural engineering, environmental engineering, civil engineering, biology, industrial chemistry, electrical engineering, and electronics engineering has one PhD each.

Depending upon the business characteristics of each company, the specialties of the PhD's vary. For example, most of the PhD's in HHI majored in naval architecture, ocean engineering, and mechanical engineering.

These highly educated brains contribute to the group in various high-tech areas and to earning dollars through exports of these products.

The HMC, with technical leadership of Dr Yi Tae-un, is planning to develop energy-efficient automobile engine to support the company's goal of exporting 500,000 vehicles this year.

The HHI, which has 18 PhD's including Executive VP An Chung-sung, has been producing a lot of accomplishments from the affiliated research institutes: Maritime Research Institute, Welding Research Institute, Plant Research Institute, and Genetics Research Institute.

The company already developed pollution protection facilities and industrial energy facilities, and played an important role in the development of new products related to power supply and transmission.

O Yong-jun, the only PhD in genetic engineering in the group, played a pivotal role in establishing genetic engineering research in the Hyundai group.

Chon Tong-u, executive VP of the HEC, played a key role in developing modern communications devices such as car phones and telephones, and brought up the company as an integrated communications business company.

Current Status of Science and Engineering PhD's in the Group:

Hyundai Engineering and Construction Co.:

Chong Kyong-sop (40), Director, Chemical Eng., U. of Utah Ha Ho-bu (43), Associate Director, Structural Eng., U. of Houston

Hyundai Motor Co.:

Yi Tae-un (42), Principal Researcher, Mechanical Eng., Wayne State U. Yi Hyon-sun (37), Researcher, Mechanical Eng., New York State U. Ye Pyong-jun (34), Researcher, Metallurgy, Wisconsin State U. Kim Ch'ang-ho (34), Researcher, Mechanical Eng., Wisconsin State U.

Hyundai Precision and Industry Co.:

Yim Myong-t'aek (35), Manager, Mechanical Eng., U. of Michigan

Hyundai Engineering Co.:

Song Ki-ho (37), Manager, Environmental Eng., Arkansas U.

Hyundai Electronics Co.:

Ch'on Tong-u (42), Executive VP, Electrical Eng., U. of Texas Pak Kwang-o (44), Executive VP, Materials Eng., U. of Minnesota Kim Yong-gil (36), Section Chief, Electronics Eng., Yonsei U.

Inchon Iron and Steel Co.:

So Ch'an-yong (35), Associate Manager, Metallurgy, Yonsei U.

[14 Jan 87 p 7]

[Article by Chon Hang-su]

[Text] The Daewoo Group, who celebrated their 20th anniversary this year, is aiming at a "second leap" by establishing a technological basis of absolute superiority.

The group is focusing their management on the technical development in order to cope positively with an ever rapidly changing management environment and to maintain a continuous progress of the group in her mature age.

In order to achieve these goals, they plan to expand the investment in R&D which will amount to 40 percent of the total investment by early 1990's and to enhance the production technology of their final products, parts, and materials to an international standard.

Judging that basic research is an essential part of the high-tech development, they plan to reinforce the research in basic science through the 17 group affiliated research institutes. The group's emphasis on basic research, which is generally neglected by other groups, is known to stem from the group Chairman Kim U-chung's belief that "In order to develop high-tech industries, basic science should be strong."

Chairman Kim, when donating research fund of 3 billion won (\$3.75 million) to Seoul National University (SNU) last year, made known his interests in basic research by asking the school authorities to spend "about 70 percent of the fund for basic science research."

Considering the fact that the success or failure of R&D activities totally depends on proper manpower, the group plans to recruit about 1,000 PhD's by the year 2,000.

The efforts include advertisement in local Korean newspapers in the United States for recruiting researchers with MS and PhD degrees, and training about 30 to 40 employees in domestic universities.

The group currently has 36 science and engineering PhD's in the 12 group companies, who are actively engaged in various research activities.

These highly educated brains are carrying out pivotal roles to make the second leap as the cornerstone of "mature Daewoo."

Grouping by company, Daewoo Heavy Industries (DHI) and Daewoo Shipbuilding Co. (DSC) lead with six PhD's, each, followed by the Daewoo Motor Co. (DMC) with five, and Daewoo Engineering and Daewoo Steel and Chemical with four each.

Daewoo Corp., Daewoo Electronics, Daewoo Communications, and Daewoo Automobile Parts have two each, and Daewoo Precision and Daewoo HMS have one each.

The DHI, which has the largest number of PhD's in the group, has developed laser processing machine, multi-joint robot, and automobile diesel engine called STORM engine and is planning to develop heavy equipment for integrated construction purpose and the factory automation area.

The Daewoo Electronics, which has developed MSX-type personal computers and portable word processor, and Daewoo Communications, which developed the TDX-1, a complete electronic switching system, is focusing on the development of the microwave oven, super-computers, and custom made semiconductors.

The Daewoo Steel and Chemicals, who has four PhD's, is carrying out research in the areas of new materials, genetic engineering, and fine chemistry.

The company has developed the DNA-cutting enzyme, which is the basic element in genetic engineering and the production technology of carbon fiber, and from this year, they will develop new materials and full-fledged genetic engineering research.

Grouping by age, we can see the group's progressive and positive characteristics.

The numbers of PhD's in their thirties and forties are 18 and 17 respectively and none in their fifties.

If DMC's Section Chief Yi Che-won, who is the only one in his twenties, is included, all of them are young and energetic in their twenties and thirties and well experienced PhD's in their forties who are actively involved in various R&D efforts.

Relatively senior PhD's include the 48-year-old Senior VP Sin Hyo-sun (Daewoo Shipbuilding), VP Mun U-t'aik (Daewoo Shipbuilding), President Nam Chong-hyon (Daewoo Engineering), and Executive VP Pak Song-gyu (Daewoo Communications).

Those in their mid-forties are VP Kim Song-u (Daewoo Corp., 47), Executive VP Kang Yong-guk (Daewoo Heavy Industries, 46), VP Pak Hung-sun (Daewoo Steel and Chemicals, 46), Executive VP Min Kye-sik (Daewoo Shipbuilding, 45), Executive VP Yu T'ae-song (Daewoo Engineering, 45), VP Chon Chun-su (Daewoo Engineering, 45), and VP Chang Hong-jo (Daewoo Communications, 45).

Current Status of Science and Engineering PhD's in Daewoo Group:

Daewoo Motor Co.:

Yi Kwi-yong (37), Manager, Mechanical Eng., UC Berkeley Yi Che-ch'on (36), Associate Manager, Mechanical Eng., Wayne State U. Yu Ki-jun (33), Associate Manager, Metallurgy, MIT Yi Che-won (29), Section Chief, Mechanical Eng., U. of Wisconsin Yi Chong-kwon (30), Section Chief, Mechanical Eng., KAIST

Daewoo Corp.:

Kim Ch'ung-se (41), VP, Fluid Mechanics, U. of Illinois Kim Song-u (47), VP, Mechanical Eng., U. of Illinois

Daewoo Heavy Industries:

Kang Yong-guk (46), Executive VP, Electronics Eng., Columbia U. Jahng-Rakyoung (43), Managing Director, Machinery, USC, Calif. Kim Che-gon (33), Section Chief, Metallurgy, KAIST Song Yong-tu (31), Section Chief, Materials, KAIST Chong T'ae-gang (30), Section Chief, Electrical Eng., SNU

Daewoo Shipbuilding:

Sin Hyo-sun (48), Executive VP, Mechanical Eng., Birmingham U., UK Min Ke-sik (45), Executive VP, Naval Architecture, MIT Chong Song-t'aik (44), Executive VP, Chemical Eng., Washington U. Mun U-t'aik (48), VP Mechanical Eng., Catholic U. Cho Yong-sun (32), Section Chief, Mechanical Eng., KAIST Yu Sun-yong (33), Section Chief, Metallurgy, Lehigh U.

[16 Jan 87 p 7]

[Article by Chon Hang-su]

[Text] The science and engineering PhD's in the Daewoo Group are leading management and technological development in the group companies with relatively higher positions.

All of the 36 PhD's hold positions as section chief and above and 19 of them are members of the board of directors.

Dr Pae Sun-hun, president of Daewoo Automobile Parts Co., and Dr Nam Chong-hyon, president of Daewoo Engineering Co., are especially exercising their management capabilities as two top PhD executives in the group.

Dr Pae got his BS in mechanical engineering from SNU and his PhD also in mechanical engineering from MIT. He taught at KAIST as an associate professor before joining Daewoo.

Dr Pae joined Daewoo in March 1976 as director of Daewoo Heavy Industries, then VP of the Daewoo Electronics before he became president of Daewoo Automobile Parts Co. He holds a dual position as president of Daewoo HMS. Dr Nam Chong-hyon, BS in architecture from SNU and PhD in civil engineering from the University of Wisconsin, worked for the University of California as a researcher before joining Daewoo in 1978 and is currently president of Daewoo Engineering Co.

Other high level PhD executives include Pak Song-o, executive VP of Daewoo Communications, and six executive VP's: Kang Yong-guk (Daewoo Heavy Industries), Sin Hyo-sun (Daewoo Shipbuilding), Min Ke-sik (Daewoo Shipbuilding), Chong Song-taik (Daewoo Shipbuilding), Yu Tae-song (Daewoo Engineering), and Chang Ki-il (Daewoo Carrier).

There are also seven vice presidents: Kim Chung-se (Daewoo Corp.), Kim Song-u (Daewoo Corp.), Chang Nak-yong (Daewoo Heavy Industries), Mun U-taik (Daewoo Shipbuilding), Chon Chun-su (Daewoo Engineering), Pak Hung-sun (Daewoo Steel and Chemicals), and Chang Hong-cho (Daewoo Communications); and three directors: Kim Ho-yon (Daewoo Heavy Industries), Chong Kwan (Daewoo Engineering), and Song Kyong-su (Daewoo Electronics); who are carrying out pivotal roles in the high-tech development.

The number of PhD's who got their degrees from foreign universities are larger than those from domestic universities.

Only 6 got their degrees from domestic universities and the remaining 30 from foreign universities.

Domestic PhD's are Associate Manager Kim Yong-chun (Daewoo Steel and Chemicals), Section Chief Yi Chong-gwon (Daewoo Motor), Section Chief Kim Chae-gon (Daewoo Heavy Industries), Section Chief Song Yong-du (Daewoo Heavy Industries), and Section Chief Cho Yong-chun (Daewoo Shipbuilding), all from KAIST; and Section Chief Chong Tac-gang (Daewoo Heavy Industries) is the only one from SNU.

Among 30 foreign PhD's, 29 got their degrees in the United States; and only 1, Senior VP Sin Hyo-sun (Daewoo Shipbuilding) got his degree from Birmingham University in England.

MIT PhD's lead with four: Pae Sun-hun (Daewoo Automobile Parts), Executive VP Pak Song-gyu (Daewoo Communications), Executive VP Min Ke-sik (Daewoo Shipbuilding), and Associate Manager Yu Ki-jun (Daewoo Motor); followed by the University of Wisconsin with three, and the University of Illinois and Lehigh University with two each.

President Nam Chong-hyon (Daewoo Engineering), Manager Choe Tac-in (Daewoo Precision), and Section Chief Yi Che-won (Daewoo Motor), are from the University of Wisconsin; and Executive VP Chang Ki-il (Daewoo Carrier) and VP Kim Chung-se (Daewoo Corp.) are from the University of Illinois.

Director An Kyong-su (Daewoo Electronics) and Manager Pak Chong-gi (Daewoo Steel and Chemicals) are from Stanford; and VP Kim Song-u (Daewoo Corp.) and Section Chief Yu Sun-yong (Daewoo Shipbuilding) are from Lehigh University.

Executive VP Chong Song-taik (Daewoo Shipbuilding) is from the U. of Washington; VP Chon Chun-su (Daewoo Engineering) is from the U. of Michigan; VP Chang Hong-cho (Daewoo Communications) is from the U. of Ohio; and Director Kim Ho-yon (Daewoo Heavy Industries) is from Brown University.

Grouping by specialty, mechanical engineering leads with 14, followed by chemical engineering with 5, electronics engineering with 4, metallurgical engineering with 3, and civil engineering with 3.

There is one PhD in each of the following fields: fluid engineering, materials engineering, electrical engineering, naval architecture, biology, and metallic materials.

It is believed that these highly educated intellects of Daewoo are contributing to the technical and industrial development of Korea in various fields.

Executive VP Pak Song-o (Daewoo Communications) is known to be a pioneer in developing the U.S. market for domestic personal computers.

Daewoo, after vigorous efforts to export to the U.S. market from June 1985, accomplished the \$100 million export of 16-bit personal computers last year after previously making only computer peripherals.

Executive VP Kang Yong-guk (DHI), as the director of the Technical Research Institute of DHI, made a substantial contribution to the development of robots and lasers.

VP Chang Nak-yong (DHI) has developed an automobile diesel engine called the Storm engine from design to final product without any foreign help. Director Kim Ho-yon (DHI) has succeeded in manufacturing multijointed robots.

Director An Kyong-su (Daewoo Electronics) has successfully led the efforts in developing the MSX-type personal computers, 16-bit computer peripherals, and portable word processors. Associate Manager Kim Yong-jun (Daewoo Steel and Chemicals) has developed the DNA-cutting enzyme, which is the basic material in the genetic engineering research.

Current Status of Science and Engineering PhD's in the Daewoo Group:

Daewoo Engineering:

Nam Chong-hyun (48), President, Civil Eng., U. of Wisconsin Yu Tae-song (45), Executive VP, Civil Eng., New York U. Chon Chun-su (45), VP, Civil Eng., U. of Michigan Chong Kwan (40), Director, Chemical Eng., U. of Cincinnati

Daewoo Steel and Chemicals:

Pak Hung-sun (46), VP, Chemical Eng., U. of Missouri Pak Chong-gi (36), Manager, Chemical Eng., Stanford U. Kim Yong-jun (34), Associate Manager, Biology, KAIST Kim Tae-jin (35), Associate Manager, Chemical Eng., Syracuse U.

Daewoo Electronics:

An Kyong-su (35), Director, Materials Chemistry, Stanford U. Sin Yong-chol (34), Manager, Mechanical Eng., U. of Delaware

Daewoo Communications:

Pak Song-o (48), Executive VP, Electronics, MIT Chang Hong-cho (45), VP, Electronics, U. of Ohio

Daewoo Automobile Parts:

Pae Sun-hun (43), President, Mechanical Eng., MIT Yi Sok-ho (33), Associate Manager, Electronics Eng., Purdue U.

Daewoo Carrier:

Chang Ki-il (44), Executive VP, Mechanical Eng., U. of Illinois

Daewoo Precision:

Choe Tae-in (34), Manager, Metallic Materials, U. of Wisconsin

Daewoo HMS:

Son U-hyon (36), Associate Manager, Mechanical Eng., Northwestern U.

[19 Jan 87 p 7]

[Article by Kim Tong-kwon: "Sunkyoung Group"]

[Text] The Sunkyoung Group, in preparation for the high-tech arena of the 2000's, has been putting more effort recently in technical development than in any previous year so far in order to grow as a first class international industry.

The group is concentrating its investment in technical development in selected areas of technology and capital intensive businesses especially petrochemistry, magnetic tapes, laser memory, textiles, and fine structural chemistry as the group's strategic industries.

The group's new investment plan this year is about 600 billion won (\$750 million); 300 billion won in the petrochemical and energy related areas, 150 billion won in the video tapes and compact disc areas, 40 billion won in textile and fine structural chemistry, 20 billion won in establishing an integrated research center, and 90 billion won in miscellaneous areas such as rationalization of the existing facilities.

In order to effectively carry out the technology development plan, the group has been expanding utilization of the highly educated brains in various research activities.

Currently, there are six science and engineering PhD's in the group: five of them got their degrees from foreign countries. The rather small number of six PhD's, considering the total group sales volume of 6 trillion won last year, are making substantial contributions to their specific areas of responsibilities.

The six PhD's are distributed in different group research institutes: three in the Korea Oil Refinery's (KOR) research institute (Kim Tae-chon, Na Sang-chon, and Pak Sang-hun), two in Sunkyoung Institute of Chemistry (SKC) (Chon Yong-gwan and Yang Ch'ang-son), and one in Sunkyoung Institute of Synthetic Fiber(?) (Kim Kihyop).

The group's research activities are centered on the petrochemical area since KOR is the major company in the group. In KOR's research institute, current research

activities include product improvement of (benzene, (toluenzailen)), Propylene Oxide (PO), Stilen Monomer (SM), quality research on Ethylene, technology development on CWF.

The group is constructing a production factory of PO/SM which will be completed in April 1989. At the completion of the factory, it will provide a substitute for the annual PO import of \$50 million, and make a stable supply for domestic demand.

The key people in this area are Kim Tae-chon, PhD from Northwestern U., Na Sang-chon from MIT, and Pak Sang-hun from KAIST. All three are PhD's in Chemistry.

The three PhD's are working as researchers, no special position or title. Their positions are equivalent to section chief or above.

SKC is trying to enter into the laser memory area after completion of the CD factory.

The SKC research team, lead by Chon Yong-gwan, PhD in polymer science from the University of Connecticut (director), and Yang Chang-son, PhD in chemistry from the U. of Connecticut (manager), is concentrating on the development of CD-ROM, CDI and CDV, which are advanced high-tech products from CD. Drs Chon and Yang are alumni of SNU as well as the U. of Connecticut.

SKC, who ranks third in developing the CD after West Germany and Japan, has been providing high quality audio systems to the domestic market, and is planning to export \$150 million by 1990. At the same time, SKC is planning to make a new investment of \$100 million for technology development.

President Yi Ki-dong of SKC, who is not a PhD, cannot be left out from the major contributors to the technology development. President Yi majored in textile engineering at SNU. Mr Yi not only demonstrated his superior managerial capabilities as the chief executive officer but participated himself in the technical development project of CD and successfully lead the efforts.

SKC plans to expand the production capacity from the current 7.5 million tapes a year to 12 million by the end of this year.

A new technical development is being actively carried out in the area of synthetic textile area. The Sunkyong Synthetic Fiber's first priority is in the development of the carbon fiber, a high-tech material.

The company started building a carbon fiber manufacturing factory in Ulsan with domestic and foreign loan of 12 billion won and finished at the end of last year. The factory has a total production facilities with the capacity

to produce not only carbon fiber but also prepre, an intermediate finished product. The factory started producing the prepre and has been supplying it to related companies.

The carbon fiber, which is called a dream material, is stronger than iron and lighter than aluminum. It is widely used in industrial products such as aerospace and automobile industries and also in sports and leisure industries such as fishing poles, golf clubs, and tennis rackets.

The carbon fiber project is lead by Dr Kim Ki-hyop (director), PhD in organic chemistry from Iowa State University. Dr Kim also studied business administration while he was working in Boston. Furthermore, the company is putting its efforts into new technology development, and is improving the quality of the existing commercial products such as video or cassette tapes. The group is also working on the development of substitute energy.

The group is accordingly planning to recruit more PhD's and to utilize them, and gradually increase the investment in high-tech industries.

The Sunkyong Group, with their established quiet image, is quietly pursuing these goals with a sincere attitude, rather than showing off.

Current Status of Science and Engineering PhD's at the Sunkyong Group:

Sunkyong Synthetic Fiber:

Kim Ki-hyop (41), Director, Organic Chemistry, Iowa State U.

Sunkyong Chemicals:

Chon Yong-gwan (38), Associate Director, Textile Polymer, U. of Connecticut Yang Ch'ang-son (34), Manager, Chemistry, U. of Connecticut

Korea Oil Refinery Research Institute:

Kim T'ae-Ch'on (37), CWF Researcher, Chemistry, Northwestern U. Na Sang-ch'on (35), Combustion Researcher, Chemistry, MIT Pak Sang-hun (32), Process Researcher, Chemistry, KAIST

[20 Jan 87 p 7]

[Article by Yun Tok-no]

[Text] The Ssangyong Group is also putting their efforts in technology development to cope with the high-tech arena.

Based on the well-established cement production technology, which is the group's major production line, the group will accelerate the development of new materials such as fine ceramics and at the same time plans to put more effort in computer software development including the artificial intelligence, factory and office automation area.

In order to leap in the 2,000's, the group is pursuing a wide-range technical renovation in such areas of the group's unique engine model, special purpose engine, new materials, computer software, fine structural chemistry, mechanical, and automobile technology.

The group is planning to integrate individual company research organizations into a centralized research center and to concentrate on training high quality human resources who will lead the 2,000's.

Currently, the group has four PhD's who are working for Ssangyong Computer and Ssangyong Cement.

Grouping by academic institution, one from SNU, one from the Achen Technical University in West Germany, and two from Hanyang University.

The group's representative image is cement.

Because of this, the group's main future efforts will be in the area of fine ceramics and all the PhD's either specialized in this field or have some working experiences in this area.

President of Ssangyong Computer, Pak Pyong-ch'ol (51) got his PhD in chemical engineering from SNU.

President Pak, who was trained in Humbolt company's research institute in West Germany, Mitsubishi Cement Co. of Japan, and La Page Cement Co. of France, has published several books on cement including "Introduction to Cement" and "Handbook for Cement Technicians."

Elected as President of Ssangyong Computer in 1983 from senior VP of Ssangyong Cement, President Pak has transformed to a man of information industry and is showing a new image.

He is leading the software development with a dual responsibility as director of Ssangyong Computer's research center.

The company's major research accomplishments include developments of automation of software handling, tax administration, authoring system, and Korean word processor, named Sejong.

Major future plans include the development of factory automation system through CAD/CAM, artificial intelligence, such as authoring systems, and system network software.

Meanwhile at Ssangyong Cement three PhD's, Manager Choe Yong, Group Head So Il-yong, and Associate Manager Pak Yong-kap are actively working.

The three PhD's are responsible for practical research projects such as development of new cement products and product development using fine ceramics.

Choe Yong (45), who got his degree in inorganic materials from Hanyang U., is working as manager of tool development division.

He successfully lead the developmental efforts of the cutting tool using ceramic material last year and is pursuing the commercialization of the product.

So Il-yong, who is working as head of the basic product research branch in the cement company's central research institute, also got his degree in inorganic materials from Hanyang University.

Dr So was the major contributor to the development of the basic cement product such as ultra-fast hardening cement and alumina cement and is now leading new product development projects.

Dr Pak Yong-gap (39), the only foreign PhD in the group, got his degree from Achen Technical University in West Germany.

As associate manager of the Fine Ceramics Branch in the company's central research institute, he is actively involved in the development of fine ceramics products, which will lead the company in the future.

His leading projects include the development of ceramic diesel engine, ceramic IC package, and ceramic sensors.

Other areas that the company is concentrating on include the development of new cement products, special cement, concrete, fine ceramics materials, fine ceramics machine parts, and fine ceramics electronics parts.

Non-PhD technical core members are Yi Tong-baek, technical senior VP in charge of R&D and Yang Che-gyun, director of Central Research Institute.

Meanwhile, Ssangyong Heavy Industries (SHI) is also putting a great of effort in technology development.

The company successfully developed medium-size diesel engine for ship and industrial application, and plans to develop the company's unique model engine and special purpose engines with solely local technology.

The technical leaders in SHI include Sin Won-kil, VP in charge of new developmental efforts, and U Sok-kun, manager of domestic development.

Other major technical resources include VP Hwang Son-yong of Ssangyong Paper Co., who successfully developed the paper machine for toilet tissues by domestic technology only.

Current Status of Science and Engineering PhD's in Ssangyong Group:

Ssangyong Computer Co.:

Pak Pyong-ch'ol (51), President, Chemical Eng., SNU

Ssangyong Cement Co.:

Choe Yong (45), Manager, Inorganic Materials, Hanyang U. So Il-yong (43), Branch Head, Inorganic Materials, Hanyang U. Pak Yong-gap (39), Associate Manager, Inorganic Materials, Aachen Technical University, West Germany

[22 Jan 87 p 7]

[Article by Yun Tok-no: "Korea Explosives Group"]

[Text] The Korea Explosives Group, who set this year as the group's "year of the second leap," has decided on the major business line in the area of technology intensive and high added value high-tech businesses.

The group's major future efforts will include the development of pharmaceutical materials such as antibiotics through genetic engineering and fine chemistry research, development of new materials such as engineering plastics and related automobile industries, and the development of substitute energy.

In order to make a leap into the future, the group purchased 100,000 pyong of land in Taedok and is planning to construct the central research institute, which will be the center of the group's future industries.

The Central Research Institute, which will be completed by the end of 1988 with 50 billion won, consists of integrated research building and satellite research buildings and will be the center of the group's high-tech industries.

They plan to recruit about 900 highly educated researchers who will lead the high-tech related research.

They are currently recruiting manpower from the United States and Japan. In other words, the group's future direction is set up towards the high-tech development by these brains.

Current PhD's in the group total four. Considering the future plan and last year's sales amount of 2.61 trillion won, the number is rather small. These four PhD's are spread in the group companies and are leading various technology development projects.

Dr Hwang Tok-sang is working as director in the Korea Explosives Co. (KEC), and Dr Pyon Chae-hwang also as director in the Hanyang Chemical Co. (HCC).

Dr An Pom-chong is working as manager in the group's genetic engineering information office and Dr Sin Sok-pong as a manager of environmental plant in the Pacific Construction Co. (PCC).

These PhD's got their degrees from different countries: Korea, the United States, France, and Japan.

Dr Hwang Tok-sang of KEC got his degree from Sungjon University (now Sungsil University) with a thesis, "On the Micelle Effect of Nitro-Phenol Compound by Spectroscopic Analysis."

As an explosives expert, Dr Hwang is leading major explosives development projects such as development of hydrous explosives, automation of nitroglycerin production facilities and automation of gelatin dynamite production facilities.

A non-PhD explosives expert, the KEC's Manager Choe Pyong-yun, has a wide training experience in Nitro Nobel Co. of Sweden and the Niepmann of West Germany.

Dr Pyon Chae-gwang, director in HCC, got his degree in chemical engineering from the University of Illinois.

Prior to joining HCC in 1985 as one of the directors, Dr Pyon has worked for the U.S. Texas Instruments, the Union Carbide, and the Exxon Chemicals. He is in charge of a broad area of R&D, and is also a team leader for the group's Integrated Research Institute, which is under construction in Taedok.

Dr Pyon, based on his broad experiences in several prestigious foreign companies, is known to be a representative figure who determines the group's future R&D directions, and leads the implementation of the goals.

The technical brains in the Hanyang Chemical Co. are Kim In-yong, director who lead the commercialization project of the polyethylene resin, and Sin Hyon-ju, director of the Central Research Institute who is working on a project to develop the application areas of polyethylene and chloroalkaline products.

Dr An Pom-chong, manager of the genetic engineering information office, got his degree in chemical engineering from the Universitat Technologie de Compigie in France.

He is leading the genetic engineering lab, which will be the group's center of genetic engineering and fine structural chemistry, which the group is pursuing as major future business areas. He is currently directing research on the development of (separosphorine) antibiotics by

using genetic engineering technology. His genetic engineering information office is promoting several commercialization projects, including insecticides by using microorganisms and pharmaceutical materials.

Dr Sin Sok-pong, manager in the PCC, got his degree in fermentation engineering from the University of Osaka, Japan.

He is currently working as manager of environmental plants division and formally has taught at Seoul City College.

The group's major non-PhD high-tech brains include Hong Song-tae, director in the Koryo Systems Co., in charge of the system production; and Chong Wang-ho, associate manager in the Koryo System, the man who developed the Korean-English word processor, "Myong Pil."

Mr Cho Yong-ik, associate manager in the Koryo System, has developed the Fujitsu company's display control system, and played a pivotal role in his company's getting the Electronics Industries Promotion Association award last year.

Current Status of Science and Engineering PhD's in the Korea Explosives Group:

Korea Explosives Co.:

Hwang Tok-sang (51), Director, Chemistry, Sungjon U.

Hanyang Chemical Co.:

Pyon Chae-gwang (43), Director, Chemical Eng., U. of Illinois

Genetic Engineering Information Office:

An Pom-chong (38), Manager, Chemical Eng., (Compi-gue) U., France

[23 Jan 87 p 7]

[Article by Kim Tong-gwon: "Korean Air Lines"]

[Text] The Korean Air Lines' (KAL) basic goal is to improve the Korean airline industry to a developed country's standard.

In order to achieve the goal, KAL is accelerating technical development in the aviation area based on the company affiliated Korea Aviation Technology Research Institute (KATRI).

The successful voyage of the ultra-light class airplane, "Changgong-2," which was designed and manufactured solely by KAL technology with 100 percent domestic composite materials last year, showed an infinite possibility in this area.

In fact, the aviation industry is a culmination of all of the high-tech industries. Compared to the computer or semiconductor industries, the aviation industry requires an enormous investment and efforts.

Thus, KAL has been carefully carrying out the aviation technology development at KATRI by highly experienced PhD level engineers based on the long-range plan set up for the 2,000's.

The KATRI currently has 46 researchers. Among them, 14 are PhD's all of whom got their degrees from foreign universities.

They all got their degrees from prestigious foreign universities in the area of aviation.

Grouping by country, five got their degrees from the United States and nine from France. The U.S. PhD's, include Hong Yong-sik (deputy director), So Chin-bom, Yu Si-ryung (branch head), Yi Ki-su and Yi U-sik. French PhD's are Kwon Chong-ho, Hwang Myong-sin, Min Kyong-tak, Kim Chin-gon, Kim Chong-chol, Yi Tok-pong, Choe Won-chong, Yi Sang-chol, and Pak Hyo-dal, who all got their degrees from (Aix-Marseille) U., (Ansmar) U., UTC and (Ancee) U.

Hong Yong-sik, Yu Si-ryung, Yi Sang-chol, Kim Chong-chol, Yi Tok-pong, Kwon Chong-ho, Min Kyong-tak, Yi Ki-su, and Choe Won-chong are from SNU; Hwang Myong-sin graduated from the Aviation College; Yi U-sik is from Yonsei U., and Kim Chin-gon is from Korea U. The majority of the PhD's are from SNU.

So Chin-bom got his degree at the University of Southern California and Pak Hyo-dal is currently under the training program at (Ancee) U. in France.

Except for Hong Yong-sik and Yu Si-ryung, they do not hold special position or titles. All of them are working as senior researchers or researchers. Dr Hong leads the research team as deputy director and Dr Yu is the head of the Branch No 1.

The research team is working on the integrated aviation technology by intimately utilizing various specialties of the team members. The specialties of the group include mechanical engineering, electrical engineering, aerodynamics, automatic control, combustion engineering, polymer materials, and electronics, which cover most of the areas necessary in aviation industry. The research team has made substantial accomplishments in various projects such as technical support for the development and manufacturing of the "Changgong-2," airplane CAD/CAM projects, aerodynamic drag reduction project of motor vehicles, development of experimental ultra-light class airplane, and research on the basic design of training airplane.

Base on last year's successful development of small-size light plane, KAL has a mid- to long-range plan to develop mid-size airplanes such as training planes and light cargo planes in the 1990's. According to this plan, in 2,000's when they master the technology they will develop high-performance fighters independently, and mid-size passenger planes jointly with capable foreign companies.

Deputy Director Hong, who worked for Boeing Co. for 10 years as a senior research engineer, expressed a strong determination in enhancing the domestic aviation technology to a level comparable to advanced countries, by emphasizing the urgency of the domestic airplane development.

All the other PhD's in the institute share the same opinion as Dr Hong and are doing their best in each area of specialty.

Yu Si-ryung is working on the projects of airplane design and development of light plane using composite materials; Yi Sang-chol, on maneuvering analysis; Yi Tok-pong, on the development of aerodynamics analysis programs; Hwang Sin-myong, on airplane design; Kwon Chong-ho on stress analysis of airplane structure; Min Kyong-tak, on structural design of composite materials for airplane; Yi Ki-su, on dynamic characteristics of composite materials and light plane design; Yi U-sik, on elastic analysis of holes in the airplane body; Kim Chin-gon, on the development of light-weight planes by using composite materials; Choe Won-chong, on composite materials sample development and evaluation.

Thus, not before long these brains are expected to enhance the current domestic aviation technology to a developed countries' standard and in the year 2,000's, the airplanes made by purely domestic technology are expected to fly all of the world. At the same time, they plan to get into the space technology development as a long-term plan.

Current Status of Science and Engineering PhD's at KAL's Korea Aviation Technology Research Institute:

Hong Yong-sik (55), Deputy Director, Mechanical Eng., U. of Washington So Chin-bom (57), Senior Researcher, Electrical Eng., U. of Southern CA Yu Si-ryung (42), Branch No 1 Head, Aerospace Eng., Stanford U. Kwon Chong-ho (36), Researcher, Mechanical & Materials Eng., (ANGZMA) U., France Hwang Myong-sin (35), Researcher, Aerodynamics, (EXMARCEILL) U. Min Kyong-t'ak (35), Researcher, Mechanical Eng., UTC Yi Ki-su (35), Researcher, Mechanical Eng., Ohio State U. Kim Chin-gon (33), Researcher, Combustion Eng, (ANSEMAR) U. Kim Chong-ch'ol (33), Researcher, Automatic Control, (ANCEE) U. Ch'oe Won-jong (32), Researcher, Polymer Materials, (ANSEMAR) U. Yi Tok-pong (32), Researcher, Mechanical Eng., (ANGZMA) U. Yi Sang-ch'ol (31), Researcher, Fluid

Mechanics, (AIXE-MARSEILLE) U. Yi U-sik (31), Researcher, Mechanical Eng., Stanford U. Pak Hyo-dal, Under Training, Electronics, (ANCEE) U.

[26 Jan 88 p 7]

[Article by Chon Hang-su: "Pohang Iron and Steel"]

[Text] The Pohang Steel Co. (POSCO), which has made a great contribution to the development of Korca as a "big nation of steel," is strongly promoting the qualitative jump parallel to the quantitative growth so far, aiming to be the "world's best iron and steel company" in the 2,000's.

Only 20 years after its foundation, the company has grown to be the 7th in rank among free world countries in crude iron production capacity and one of the most competitive companies in the world. Not quite satisfied with it, they are trying to be a leading company by challenging to be the technically best iron and steel company in the world.

The company is accelerating their efforts to establish independent technology development and research system in order to maintain international competitiveness and to prepare for the tendency of protectionism in technology transfer by the developed countries.

The company is prepared for basic science research and industrial front line high-tech development by opening the Pohang Institute of Science & Technology (POSTECH), the first research oriented college in the country last December and by reorganizing the existing Technical Research Laboratory into the Research Institute of Industrial Science and Technology (RIST).

In order to leap as the world-class company, the company has been recruiting highly qualified manpower. The entire 66 faculty members at POSTECH are PhD's and 21 researchers at RIST are PhD's.

Most of the 21 PhD's at RIST are young in their thirties and are leading R&D activities related to iron and steel.

Grouping by age, 15 PhD's are in their thirties followed by 2 in their twenties and forties each, and 1 in their fifties and sixties each.

Senior PhD's include Director of RIST Kim Chol-u (61) and Deputy Director Yi Ch'ang-hon (52); and the youngest PhD's are ambitious Senior Researchers Chong U-chang (28) and Kim Yong-sok (29) in their twenties.

These brains have various positions from rescarcher (acting section chief level) to executive vice president. Only two of them are at the executive level; Director Kim Chol-u, executive vice president level, and Deputy Director Yi Chang-hon, director level.

Director Kim Chol-u got his BS in metallurgical engineering from Tokyo Technical College and his PhD from the University of Tokyo. After getting his PhD, Dr Kim has worked for the Industrial Technology Research Institute (ITRI) affiliated to the University of Tokyo and later for KIST (Korea Institute of Science and Technology) as the head of the heavy industries branch from June 1970.

After briefly working at POSCO from 1971 as one of the technical directors, he went back to the ITRI in Tokyo before joining POSCO permanently in August 1980.

Deputy Director Yi Chang-hon got his BS in metallurgical engineering from SNU and his PhD from Achen Technical College in West Germany. Before joining POSCO as deputy director of RIST in September 1986, he has worked for Advanced Defense Development (ADD) in Korea, Steel Research Institute in Achen Technical College, and SRLCO in Canada.

Except for the two executive level PhD's, the majority of PhD's—one manager, one associate manager, eight senior researchers (section chief level), and nine researchers (acting section chief level); are all involved in technical development rather than management.

Among the 21 PhD's in POSCO, 14 of them got their degrees from foreign universities and 7 from domestic schools.

Among domestic PhD's, three are from KAIST, three from SNU, and one from Korea University.

Yi Chun-chong, Chu Ung-yong, and Chong U-chang are from KAIST; Chon Hi-dong, Yim Chang-hi, and Ho Myong-chun are from SNU; and Son Chin-kun is from Korea University.

Foreign PhD's are from six nations: the United States, England, West Germany, Austria, Japan, and Australia.

Those from the United States lead by four: Sin Chong-chol (U. of Pennsylvania), Kwon O-chun (U. of Pittsburgh), Yi Hwak-chu (Carnegie-Mellon U.), and Kim Song-chol (Columbia U.).

Three are from Austria, two each from England, Japan, and West Germany, and one from Australia.

Manager Sin Yong-kil (Sheffield U.) and Assistant Section Chief Sin Hyong-gi (Imperial College) are from England; Director Kim Chol-u (U. of Tokyo) and Assistant Section Chief Kim Yong-sok (Kobe U.) are from Japan; and Deputy Director Kim Chang-hon and Section Chief Choe Chae-u are both from Achen Technical College in West Germany.

Grouping by school, Section Chief Pak Pyong-hak and Assistant Section Chiefs Yu Ho-ch'on and Yu Pyong-don are from (Leoben Montan) University in Austria,

two are from Achen Technical College in West Germany, and Section Chief Yi Yong-duk got his degree from the University of Monarch in Australia.

Grouping by specialty, 11 got their degrees in metallurgical engineering and 4 in materials engineering.

In addition, there is one PhD in each of the following areas: chemical engineering, industrial engineering, industrial chemistry, electrical engineering, production engineering, and steel physics.

These brains are contributing to the industrial and technical development of the nation in various areas.

Manager Sin Yong-gil joined POSCO in 1981 after working for KAIST. He successfully developed soft steel slab, thermo covers, and high-quality pure steel for continuous structures.

Associate Manager Sin Chong-chol, after joining POSCO in 1973, is currently working as head of the electric steel sheet group. He analyzed and identified the components of the high temperature particle porous surface.

In addition, other PhD's also made great achievements in the technical development related to steel: Section Chief Yi Chun-chong developed complex structure high-tensile steel; and Section Chief Son Chin-gun developed an equipment to continuously monitor ferrous-oxide (FeO) component in (sogvolgang).

Current Status of Science and Engineering PhD's in POSCO:

Kim Chol-u (61), Director of RIST, Metallurgy, U. of Tokyo Yi Ch'ang-hon (52), Deputy Director of RIST, Physical Chemistry, Achen Tech. College Sin Yong-gil (41), Manager, Metallurgy, U. of Sheffield, England Sin Chong-chol (40), Associate Manager, Metallurgy, U. of Penn. Choe Chae-u (39), Section Chief, Chemistry, Achen Tech. College Pak Pyong-hak (35), Section Chief, Materials Eng., (Leoben Montan) U., Austria Chu Ung-yong (34), Section Chief, Metallurgy, KAIST Yi Chun-chong (34), Section Chief, Materials Eng., KAIST Son Chin-gun (34), Section Chief, Materials Eng., Korea U. Kwon O-jun (36), Section Chief, Metallurgy, U. of Pittsburgh Yi Hwak-chu (34), Section Chief, Materials Eng., Carnegie-Mellon U. Yi Yong-duk (34), Section Chief, Materials Eng., Monarch U., Australia Yu Pyong-don (34), Assistant Section Chief, Metallurgy, (Leoben Montan) U., Austria Sin Hyong-gi (36), Assistant Section Chief, Metallurgy Imperial College Yu Ho-ch'on (35), Assistant Section Chief, Metallurgy, (Leoben Montan) U., Austria Kim Song-ch'ol (34), Assistant Section Chief, Industrial Eng., Columbia U. Chon Hi-dong (31), Assistant Section Chief, Industrial Chemistry, SNU Chong U-chang (28), Assistant Section Chief, Materials Eng., KAIST Yim Chang-hi (30), Assistant Section Chief,

Metallurgy, SNU Ho Myong-jun (30), Assistant Section Chief, Electrical Eng., SNU Kim Yong-sok (29), Assistant Section Chief, Production Eng., Kobe U., Japan

[27 Jan 87 p 7]

[Article by Yun Tok-no: "Pharmaceutical Industry: Part I"]

[Text] Medicine prevents and heals a lot of diseases if properly used but kills people if improperly used.

In view of the fact that medicine is directly related to man's life, the pharmaceutical industry, which produces medicine needs specialized highly qualified human resources more than any other industries.

Furthermore, according to the materials patent law which will be in effect from the second half of this year, the necessity of domestic development of new medicine is imminent in pharmaceutical industry.

Therefore, the necessity of securing the highly qualified manpower who can handle such demand is even more vital.

Domestic pharmaceutical industries have been exerting much effort to secure the necessary manpower in order to meet the demand.

A couple of pharmaceutical companies already have such manpower and are working hard to improve the quality of the existing medicine and to develop new medicines.

It is known that there are currently 44 PhD's actively working in 10 pharmaceutical companies.

Most of them are domestic PhD's and only four of them got their degrees from foreign countries.

Grouping by school, they are from 13 different schools: 12 are from SNU; 10 from Songgyungwan U.; and 6 from Korea U.

Foreign universities are Fordham U., U. of Delaware, Freiburg U. in West Germany, and Toho U. in Japan.

Grouping by specialty, PhD's in pharmacology lead with 27, followed by chemistry with 7, science with 7, and agriculture with 2.

In addition, there are two PhD's in medicine and one PhD in veterinary science.

Grouping by age, the majority are in the active and productive ages of thirties and forties; those in their forties lead with 21; followed by thirties with 14.

There are two PhD's in their sixties and one in his twenties.

The Chung-O Pharmaceutical Co. has the largest number of PhD's at 9.

Yi Han-p'yo, executive VP and director of the research center, VP Kim Chong-gyu, Directors Sim Yong-gi and Yi Han-u, are working as executives in their company.

Furthermore, Manager Kim Sang-in, Acting Assistant Manager Yi Kon-chu, Chong Yu-sop, and Cha Mu-ho, both deputy section chiefs, are working as core research members in the company.

Their accomplishments include synthesis of hydrochloride (ridamidin), which is raw material of anti-diarrhea medicine by a team headed by Dr Sim Yong-gi of .

The team headed by Dr Yi Han-gu has succeeded in the synthesis of leukemia medicine, (enositabun).

Based on this brain-power, the company set up as their mid- to long-term goal the localization of medicine materials and development of strategic medicine materials for export.

In addition, the company selected the development of new medicine as the major goal; and this year they are concentrating on the synthesis and detection of new medicine of (kinorine) family as the major research topic.

The Dong-A Pharmaceutical Co. has six PhD's including the company chairman, Kang Sin-ho.

Chairman Kang is a PhD in medical science from Freiburg University in West Germany. VP Min Sin-hong, who is also the director of the research center, and Deputy Director of the research center Yang Chung-ik got their degrees in pharmacology from SNU.

Senior Researchers Yu Mu-hi and Hong Song-yol got their degrees from Fordham University in the United States and Songgyungwan University in Korea, respectively. Researcher Cha Yong-ae got her degree from Chungang University.

Drs Yu Mu-hi and Cha Yong-ae are rare women PhD's.

Based on this brain-power, the company has developed a drug to test for hepatitis and sulfate (amicasine).

The company aims at establishing the R&D basis for new medicine development at the earliest possible time.

They plan to invest about 6.55 billion won in total in R&D and increase the manpower by 20 percent.

The Green Cross (Nok Sip Cha) established Mok-am Research Center for the life sciences last year in order to carry out their R&D efforts more efficiently.

Kim Kyong-ho, 65-year-old director of the research center, is the most senior PhD in pharmaceutical industry.

Dr Kim, PhD in clinical pathology from Catholic Medical College in Korea, is directing the overall R&D efforts at the center including the projects of developing the hepatitis diagnostic test and the B-type hepatitis vaccine. Dr Sin Kwang-sun, PhD in veterinary medicine from SNU, played a key role in developing the B-type hepatitis vaccine by the traditional method.

The Daeung Pharmaceutical Co. has two active PhD's.

The plant chief of the Daeung (ALPHISHERA), Dr Kwak Chang-yol, who is also one of the vice presidents of the company, is a PhD in pharmacology from Songgyungwan University.

The manager of development, Dr Kumar is an Indian who got his PhD from Korea's SNU.

The Boryung Pharmaceutical Co. has two PhD's: Song Yol-ik, director of the company's research center and head of the research branch No 2, Dr Sin Hyon-chong.

Current Status of PhD's in Pharmaceutical Industry:

Jungoe Pharmaceutical:

Yi Han-p'yo (53), Executive VP, Pharmacology, Songgyungwan U. Kim Chong-o (51), VP, Pharmacology, Songgyungwan U. Sim Yong-ki (44), Director, Pharmacy, Songgyungwan U. Yi Han-o (40), Director, Pharmacy, Songgyungwan U. Kim Sang-in (40), Manager, Pharmacology, Songgyungwan U. Yi Kon-chu (44), Deputy Manager, Microbiology, Konkuk U. Chong Yu-sop (36), Deputy Manager, Pharmacology, SNU Cho Yong-hyon (34), Deputy Section Chief, Pharmacology, SNU Cha Mu-ho (34), Deputy Section Chief, Microbiology, Korea U.

Dong-A Pharmaceutical:

Kang Sin-ho (60), Chairman Medicine, Freiburg U., West Germany Min Sin-hong (46), Director of Research Center, Pharmacology, SNU Yang Chung-ik (41), Deputy Director of Research Center, Pharmacology, SNU Yu Mu-hi (35), Researcher, Chemistry, Fordham U., United States Hong Song-yol (35), Researcher, Pharmacology, Songgyungwan U. Cha Yong-ae (43), Researcher, Pharmacology, Chungang U.

Green Cross (Nok Sip Cha):

Kim Kyong-ho (65), Director of Research Center, Clinical Pathology, Catholic Medical College, Korea Sin Kwang-sun (38), Manager, Veterinary, SNU

Daeung Pharmaceutical:

Kwak Chang-yol (50), VP, Pharmacology, Songgyungwan U. Kumar (36), Manager, Pharmacology, SNU

Boryung Pharmaceutical:

Song Yol-ik (40), Director of Research Center, Pharmacology, Toho U., Japan Sin Hyon-chong (41), Branch Head, Pharmacology, Songgyungwan U.

[28 Jan 87 p 7]

[Article by Yun Tok-no: "Pharmaceutical Industry: Part 2"]

[Text] Domestic pharmaceutical industries are trying to make a new transformation. Development of new product and new medicine has become the primary task of the pharmaceutical industries to survive due to the possible change in circumstances caused by the materials patent law and severe domestic competition. Accordingly, every pharmaceutical company is putting tremendous efforts in research and development (R&D) and reinforcement of their capabilities by establishing an R&D system and recruiting high caliber manpower.

Yuhan Pharmaceutical Co., who has six PhD's, is promoting the development of new medicine as their major research project.

They plan to synthesize and test for effects of 500 new substances which can be used for heart treatment including Beta (Laktam) family. While the company concentrates on developing natural substances by using genetic engineering techniques, the company also plans to establish a new information management system and test procedures in order to support the efforts.

The six PhD's in Yuhan who play core roles in their R&D efforts are Director of Yuhan Research Center Kim Chung-sop, Deputy Director So Chong-chin, Principal Researchers Kim Yong-il and Choe Chong-sok, Senior Researcher Yi Chong-uk and Section Chief Han Kyong-gang.

Il-Dong Pharmaceutical Co. also has six PhD's. All of them are in their forties and are responsible for R&D with senior positions in the company. Senior VP and Deputy Director of Il-Dong Research Center, Chong Pil-gun got his PhD in pharmacology from Songgyungwan University.

Dr Chong is leading the company's research center while he is carrying out research on the safety of vitamins. Director Yi Nam-bok's major accomplishment is in the area of synthesizing cancer control substances and anti-tumor experiments. Dr Yi is currently involved in the (gyongpihubsujeje) development project.

Director Kim Ki-won is the company's leading expert in synthesizing antibiotic substances such as ampicillin and in developing medicine for stomach ulcer treatment.

Dr Kim is also responsible for the development of a new medicine of the Beta Lactam family and the (Kinorin) family.

Genetic engineering research such as the development of microorganism insecticides and technology utilizing lactobacilli are being carried out under the leadership of Director Yi Chong-chi.

Furthermore, Manager Kim Tae-han is leading a project to develop a lactobacillus (gyunju), and Manager Kim Yong-man is leading a project to develop lactobacillus (jongjangje).

Chongkundang Pharmaceutical Co. has six active PhD's. Among their important accomplishments last year are improvement in the manufacturing process of (sepa-zolin) and (bacampicylin), development of long lasting iron component, and the development of amino acid liver medicine.

Chongkundang is also planning this year to establish an R&D system for the new medicine development and to enhance the technology development for new medicine. The company is also planning to carry out research on the development of new substance for the (Antracillin) family anti-cancer medicine and the Beta Laktam family antibiotics, and on the improvement of (Lipampisin) bacteria (kyunju), by utilizing genetic engineering technology.

Yang Ho-sok, a director-level PhD, is working as deputy director of the research center and Kwak Hyo-song and Kim Chong-u, both manager level PhD's, are working as principal researchers. Other PhD's are Assistant Manager Chong Tong-in, and Section Chiefs Yi Chong-yul and Yi Sang-chun.

In addition, Hanil Pharmaceutical Co. has three PhD's: VP Yun Hyong-chung who got his degree in pharmacology from Kyong-hi University, another VP Ko Mun-gyu, and Researcher Sin Che-mu, both got their degrees in chemistry from KAIST. Dr Sin is the only PhD in his twenties in the pharmaceutical industry.

Han Dok Pharmaceutical Co. has two PhD's: Section Chiefs Yun Pyong-ho and Kim Yun-kuk, both pharmacology PhD's from Songgyungwan University and Chungang University, respectively.

In fine chemical industry, Taepyeongyang Chemical Co. has two PhD's: Executive VP O Won-sik and VP Kim Chang-o; and Taepyeongyang Cosmetics Co. has one PhD, manager of research department Chong O-yong.

Dr O, pharmacology PhD from Kyonghi University, is the leading research activities in fine chemistry and the life sciences as Director of the company's research center.

Dr Kim got his degree in industrial chemistry from Hanyang University and Dr Chong is a PhD in pharmacology from Songgyungwan University.

Dongyang Chemical Co. has three engineering and science PhD's from the United States.

VP Han Hong-sop got his degree in chemistry from Brown University. Research branch head Song Chun-yong is a chemical engineering PhD from the University of Minnesota and another research branch head Kwon Yong-chil got his degree in chemistry from the University of California.

Samyangsa Co. has one PhD in organic chemistry: Researcher Kim Kun-pung who got his degree from Sogang University.

Current Status of PhD's in Pharmaceutical Industry:

Yuhan Pharmaceutical Co.:

Kim Chung-sop (45), Director of the research center, Chemistry, U. of Delaware So Chong-chin (45), Deputy Director of the research center, Pharmacology, SNU Kim Yong-il (45), Researcher, Pharmacology, SNU Choe Chong-sok (37), Researcher, Chemistry, KAIST Yi Chong-uk (38), Researcher, Pharmacology, SNU Han Kyong-gang (30), Section Chief, Pharmacology, Kyonghi U.

Il-Dong Pharmaceutical Co.:

Chong Pil-kun (50), Senior VP, Pharmacology, Songgyungwan U. Yi Nam-bok (46), Director, Pharmacology, SNU Kim Ki-won (46), Director, Natural Science, Sogang U. Yi Chong-ch'i (44), Agriculture, Korea U. Kim Yong-man (44), Manager, Agriculture, Korea U. Kim Tae-han (43), Manager, Natural Science, SNU

Chonghundang Pharmaceutical Co.:

Yang Ho-sok (50), Director, Food Science, Korea U. Kwak Hyo-song (44), Manager, Pharmacology, SNU Kim Chong-u (41), Manager, Pharmacology, Chungang U. Chong Tong-in (46), Assistant Manager, Organic Chemistry, Korea U. Yi Chong-yul (38), Section Chief, Organic Chemistry, Korea U. Yi Sang-chun (33), Section Chief, Pharmacology, Chungang U.

Hanil Pharmaceutical Co.:

Yun Hyong-jung (49), VP, Pharmacology, Kyonghi U. Ko Mun-kyu (32), VP, Chemistry, KAIST Sin Che-mu (29), Researcher, Chemistry, KAIST

Han-Dok Pharmaceutical Co.:

Yun Pyong-ho (35), Section Chief, Pharmacology, Songgyungwan U. Kim Yun-guk (41), Section Chief, Pharmacology, Chungang U.

Taepyungyang Chemicals Co.:

O Yun-sik (51), Executive VP, Pharmacology, Kyonghi U. Kim Chang-o (48), VP, Industrial Chemistry, Hanyang U. Chong O-yong (47), Manager, Pharmacology, Songgyungwan U.

Dong-Yang Chemical Co.:

Han Hong-sop (46), VP, Chemistry, Brown U. Song Chun-yong (40), Branch Chief, Chemical Engineering, U. of Minnesota Kwon Yong-chil (42), Chemistry, U. of California

[3 Feb 87 p 7]

[Article by Ho Chun: "Electronics, Steel Industries"]

[Text] It is the characteristics of the brain-power in the area of the electronics and steel industries that they are developing complex technology by systematically utilizing each other's specialty.

The specialties encompass a wide spectrum of disciplines necessary for electronics and steel industries such as electrical engineering, physical chemistry, computer science, and polymer science.

Some companies are criticized for their excessively small number of high caliber brains for the company size. However, the contribution of these small number of brains is considered to be significant.

It is because these brains, who have a variety of R&D experiences in domestic or foreign companies, are setting up the companies' R&D goals and leading their commercialization.

It is noted that these brains are running some computer related companies as their companies' CEO's.

There are 20 science and engineering PhD's in electronics and steel industries, who are leading pivotal roles in technology development.

These PhD's are spread in 14 companies and their specialties also vary.

In the area of electronics, PhD's in computer science lead by three. They are Paik In-sop, director of Korea Data Communications Co.'s (KDC) research center, Yi Chol-su, director of KDC's management division, and Kim Chi-yong, VP of Tongyang Precision Co.

In addition, those who majored in physics, electrical engineering, chemistry, and electronic communications are also working in electronics industries.

The iron and steel industry is dominated by metallurgical engineering PhD's. All of them are working for Sammi Group. They are Sammi Special Steel Co.'s

President Yun Chik-sang, Manager Shin Kyong-hwan and Section Chief Choe Song-cho. In addition, those who specialized in materials science, naval architecture, and mechanical engineering, are also actively working in iron and steel industries.

Most of them got their degrees from the United States.

Altogether 12 PhD's including Yi Yong-tae, president of Korea Data Communications Co. and Kim Chu-won, VP of Sammi Metal Co. got their degrees from different schools in the United States.

Six got their degrees from Korean schools. Three of them, including Kim Chong-yul, researcher of Korea Data Communications Co., are from KAIST, one from SNU, one from Korea U., and another from Yonnam University. Dr Paik In-sop got his degree from France and Yun Chik-sang, from West Germany.

The positions of these PhD's are section chief and above and also some fringe benefits are guaranteed. Fifteen of them are at the director level or above. Seven of them are top managers.

Three PhD presidents, including Ku Chi-hwe, president of Kain Systems Co., established their companies with their own investment.

Sammi Group is planning to invest unprecedented 1 trillion won (\$1.25 billion) in facility upgrading and technology development.

Yun Chik-sang, president of Sammi Special Steel Co. is trying to localize the special steel manufacturing technology with technical assistance from Manager Shin Kyong-hwan and Section Chief Choe Song-cho.

Tongyang Precision Group is establishing a leading position in technology development in the high-tech area by cooperating with Chong Yon-hwi, president of Tongyang Special Machines Co. and Kim Chong-yon, executive VP of Tongyang Electronics and Communications Co.

They have developed computers and peripherals, and various communications equipment. The group is planning to actively promote localization this year while developing 32 bit PC's and diversifying the car phone models.

Dr Kim Chol-su joined Korea Data Communications Co. in 1982 and has contributed to the establishment of domestic information technology by developing the Korean electronic mail system and the Korean word processor. He also developed the integrated network system (INS), which was used for the Asian Games last year by connecting INS and the satellite communication network.

Pak Kyu-chang, senior VP of IBM Korea is the leading figure who modified various IBM computers suitable for the Korean environment.

Ku Chi-hoe has developed many high-tech products based on his experiences in R&D while working for Goldstar Co. He has developed the non-copiable hard disk and unmanned surveillance system. He is actively engaged in new development with highly qualified technical staff members.

Yi Pom-chon, president of Qunix Co. has been developing various computer software and peripherals. Recently, he developed a series of Omni Stations which are work stations for office automation.

He is planning to invest 800 million won (\$1 million), which is about 10 percent of the total sales volume, in R&D to develop a new computer system.

Kim Hyon-chik, president of Sammi Computer Co. has developed various computer peripherals and software based on his hands-on experience.

We have learned that all these high-tech technologies are being developed by the leadership of these brains.

Current Status of Engineering and Science PhD's:

Korea Data Communications Co.:

Yi Yong-tae (54), President, Physics, U. of Utah Song Nak-to (54), Development Chief, Meteorology, Madison U. Paik In-sop (45), Director of Research Center, Computer Science, (Ansimec) U., France Yi Chol-su (42), VP, Computer Science, KAIST Kim Chong-yul (30), Researcher, Physical Chemistry, KAIST

Tongyang Precision Co.:

Chong Yon-hwi (55), President, Naval Architecture, Yongnam U. Kim Chong-yon (61), Executive VP, Electrical Eng., N. Carolina State University Kim Chi-yong (42), VP, Computer Science, New York State U.

Sammi Group:

Yun Chik-sang (51), President, Special Steel Co., Metallurgical Eng., Achen U., West Germany Shin Kyong-hwan (37), Manager, Special Steel Co., Metallurgical Eng., Korea U. Choe Song-cho (34), Section Chief, Special Steel Co., Metallurgical Eng., SNU Kim Chu-won (38), VP, Sammi Metals Co., Materials Eng., Rooster U.

Anam Group:

Kim Chu-che (50), President, Anam Industrial Co., Chemical Eng., U. of Pennsylvania Yun Wan-chung (48), VP, Anam Electrical Co., Electronics, Missouri State U.

Korea Heavy Industries Co.:

Kim Che-hak (39), Director, Mechanical Eng., UC Berkeley

Korea Electrical Cable Co.:

Kim Yong-u (44), VP, Polymer, Brooklyn U.

IBM Korea:

Pak Kyu-chang (49), Senior VP, Solid State Chemistry, U. of Minnesota

Kain Systems Co.:

Ku Chi-hwe (43), President, Chemistry, U. of Louisville

Qunix Co.:

Yi Pom-chon (37), President, Computer Science, KAIST

Sammi Computer Co.:

Kim Hyon-chik (39), President, Electronics & Communications, U. of Ohio

[4 Feb 87 p 7]

[Article by Ho Chun: "Others"]

[Text] Domestic industries without any exception set technology development as the first priority in their management to reinforce the international competitiveness and to be prepared for the 2,000's.

Food, textile, and engineering industries also put a heavy emphasis on technology development although there are some differences in intensity compared to electronics and other industries.

Many PhD level employees are actively involved in R&D in private industries' research organizations and some of them, as top managers.

Yun Kwe-byong, president of Korea Yogurt Co., Kim Hi-chol, president of Byoksan Co., and Han Chong-sang, president of Hanso Engineering Co. are top managers who are providing various resources in technology development of their companies.

Kim Hi-chol, who is also vice chairman of Byoksan Group, is playing a leading role in high-tech industries' technology development.

Two PhD's are working as executive vice presidents.

They are Cho Sa-hong of Dusan Dairy Co. and Yi Chin-u of Kukje Corp.

Director level PhD's are Paik Un-hwa (senior VP of Tongyang Brewery), Myong Nam-chin (senior VP of Dusan Glass), and Yi Kyu-sun (director of Hae Tae Confectionery).

Other PhD's are also playing important roles as section chiefs or above in the industries, planning future R&D efforts and commercialization of the research results in their companies.

Three agricultural PhD's are working in food industry. They are Hwang In-gyu, manager of Korea Yogurt & Dairy Products Co., Manager Paik Yong-chin, and Yi Su-won.

They are playing pivotal roles in leading Korea Yogurt's future R&D efforts.

Yi Kyu-sun, a Pharmacology PhD, is doing research in the development of futuristic food in Hae Tae Confectionery.

Dusan Group has two PhD's in the food area: Cho Sa-hong in brewery engineering and Paik Un-hwa in food engineering.

There are two textile PhD's in textile industry. Dr Chong Chong-ku (associate manager at Tongyang Nylon Co.) got his degree in textile polymers and Dr Yi Chin-u in textile engineering. In addition, there are two PhD's in nuclear engineering: Kim Hi-chol (Byoksan) and Shin Che-in (technical director of Korea Electrical Co., Ltd.).

Other areas include veterinary science (Yun Kwe-byong), chemical engineering (Han Sung-ho), electrical engineering (Pak Sang-man), chemistry (Myong Nam-chin), and geology (Han Chong-sang). They got their degrees from the United States, Korea, Japan, and West Germany.

Three of the four PhD's at Korea Yogurt (Yun Kwe-byong, Hwang In-kyu, and Yi Su-won) got their degrees from Japan, and Drs Hwang and Yi, from the University of Tokyo.

Cho Sa-hong, Paik Un-hwa, and Myong Nam-chin got their degrees from West Germany; and all three are working for Dusan Group.

Drs Cho and Paik went to Munich University together and both of them are 50 years old. There are also PhD's from MIT, Akron U., and Leeds Engineering College in England. There is also one PhD each of the following domestic universities: SNU, Yonsei U., Korea U., and Songgyungwan U.

All of these highly educated brains are setting up their companies' future direction through technology development.

Dr Yi Kyu-sun of Hae Tae Group is actively trying to recruit brain-power from foreign countries such as the United States and Japan. He is also trying to expand Hae Tae research center as the high-tech center in the area.

Dr Yi is planning to establish an integrated research center in the company by 1990 and to concentrate on resource development by using biotechnology and food improvement.

Dr Cho Sa-hong succeeded in developing technology to improve livestock by transplanting artificially fertilized eggs. He also played an important role in developing bacteria to destroy waste in water and waste matters to solve environmental pollution problems.

Dr Paik Un-hwa contributed to the increased food supply through his research in the area of barley breeding by using the recombinant technology of plant genes and hybridizing technology. Because of this, he got a science and technology award from the prime minister in 1982.

Dr Chong Chong-ku is in charge of research, developing special purpose yarns and composite yarns at the Tongyang Nylon Co.'s research center.

The Hyosong Group is actively engaged in R&D to develop various products such as engineering plastics, new materials such as carbon fiber, parts for nuclear power plants, and special leathers including lamb skins.

Dr Shin Che-in played a leading role in applying the theory of fusion in nuclear power plants; and Dr Han Sung-ho contributed towards enhancing the reliability and improving the materials for secondary systems in nuclear power plants.

Current Status of Science and Engineering PhD's:

Korea Yogurt Co.:

Yun Kwe-byong (54), President, Veterinary Science, Kansai U., Japan Hwang In-gyu (40), Manager, Agriculture, U. of Tokyo Paik Yong-chin (41), Section Chief, Agriculture, SNU Yi Su-won (38), Section Chief, Agriculture, U. of Tokyo

Korea Electric Co.:

Shin Che-in (45), Tech. Director, Nuclear Eng., MIT Han Sung-ho (34), Researcher, Chemical Eng., Northwestern U. Pak Sang-man (34), Engineer, Electrical Eng., Yonsei U.

Hae Tae Group:

Yi Kyu-sun (45), Director of Confectionery, Pharmacology, Songgyungwan U.

Hyosong Group:

Chong Chong-gu (39), Associate Manager of Tongyang Nylon, Textile Polymer, Aeron U.

Dusan Group:

Cho Sa-hong (50), Executive VP of Dusan Agricultural Products Co., Brewery Engineering, Munich U., West Germany Paik Un-hwa (50), Senior VP of OB Beer Co., Food Science, Munich U. Myong Nam-chin (51), Senior VP of Dusan Glass Co., Chemistry, Braun Schweiger Engineering College, West Germany

Kukje Corp.:

Yi Chin-u (57), Executive VP, Textile, Leeds Eng. College, UK

Byoksan Group:

Kim Hi-ehol (50), Vice Chairman, Nuclear Eng., Purdue U.

Hanso Engineering Co.:

Han Chong-sang (49), President, Geology, Korea U.

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FOREIGN RELATIONS, TRADE

Daily on Increased U.S. Trade Pressure

SK200136 Seoul THE KOREA TIMES in English
20 Dec 87 p 8

[Editorial: "Renewed U.S. Trade Pressure"]

[Text] As we earlier feared, the United States renewed its strenuous pressure on Korea to open its markets to more products and services immediately after the Dec. 16 presidential election ended.

The Americans are reportedly urging Korea to decontrol imports of high-quality beef from the U.S., lower the selling prices of imported American cigarettes and allow U.S. insurance firms to advance into Korea in joint ventures with local partners.

In fact, Korea has carried out substantial market-opening steps over recent years, in response to sustained U.S. pressure.

This year alone, 10 items including lemon juice, medium-sized computers and large-sized deluxe cars have been added to the list of decontrolled imports, bringing the nation's import liberalization ratio up to 96 percent, a level really quite close to that of industrially advanced countries.

Of course, we understand the fact that the American situation requires these sustained demands for the opening of domestic markets of Korea and other trading partners enjoying trade surpluses.

During the January-October period this year, the U.S. whose trade deficit has been growing in recent years, reportedly registered a \$32.6 billion trade deficit with only four Asian countries—Korea, Taiwan, Hong Kong and Singapore, an amount exceeding the deficit of \$25.1 billion with European countries.

To get itself out of this plight, the U.S. has also been reported as planning to graduate Korea and other newly industrializing countries from the benefits of its Generalized System of Preferences (GSP) in the near future, at the same time as it demands additional market-opening action. It is also threatening to invoke "retaliatory" action by application of Section 301 of its trade law against trading partners unless its demands are met.

In addition to the pressure to open markets, the Americans have also been demanding that the Korean won appreciation be accelerated faster, weakening the international price competitiveness of Korean goods.

Korea's annual trade surplus with the U.S. is widening to the level of \$10 billion. Accordingly, we should not be stingy about decontrolling imports whose annual amounts are limited to millions of U.S. dollars. On the other hand, yielding to the sustained won revaluation demand would have a crucial and across-the-board impact on all Korean export industries.

Notable in this regard is the recent government measure to lower tariffs, which will cut the local market prices of American cigarettes by nearly 100 won or 12 cents. Also suggested now is the import decontrol of high-quality beef for exclusive use by tourist hotels.

Nonetheless, rather than tariff measures, greater efforts are needed to expand the two-way trade volume with our trading partners on the strength of a free and open market system.

in Trade Dispute With U.S.

SK081032 Seoul TONG-A ILBO in Korean
6 Jan 88 p 2

[Editorial: "Difficulties in ROK-U.S. Trade Negotiation"]

[Text] The ROK-U.S. trade negotiations hurriedly held at the beginning of the year have reached a deadlock, as expected. To make it sound less harsh, we use words of postponement or deadlock. However, it is almost certain that we will soon be dealt a blow, if things go on like this. The result has become disgraceful, as we wonder why Deputy Prime Minister Chong In-yong and his entourage hurriedly visited the United States on 2 January. U.S. Trade Representative Yeutter, too, behaved as if he works even on holidays.

Pending ROK-U.S. trade issues include reducing the price of American cigarettes, allowing joint ventures for insurance companies, and the importation to the ROK of U.S. beef. All these are, of course, difficult problems for us. Facing the intolerant U.S. attitude that they can longer continue postponement due to our election, we believe now is the time for us to make a new decision.

Above all, a forced U.S. attitude is unpleasant for us. It is even resentful that the United States, which is the standard-bearer in keeping the air clean and which carries out a nation-wide non-smoking campaign, treating smokers as something from outer space, tries to sell its cigarettes, which are moving slowly at home, to us at a low price. However, as far as cigarettes are concerned, the problem can be solved, if we do not smoke.

Concerning the question of insurance companies, our attitude is not absolute refusal. We only try to avoid joint ventures with the large conglomerates of our country, because our situation is that we should seek to decentralize economic wealth. Also, we are concerned about a drastic impact being created by the landing of American insurance companies dexterous in management techniques.

Meanwhile, the question of beef is indeed difficult for us. Our country has 8 million farmers, more than 20 percent of the total population, and more than half of farms families raise cows. They number as many as 2.6 million. The price of these cows have now dropped to about one million won, though it was once more than 1.7 million won for a matured cow. Cow-raising farmers are now left screaming.

Today, we boast that we have arrived at the doorstep of being an advanced country, in terms of gross national product. The true meaning of advanced country is that there are negligible differences or no differences between urban and rural areas. It means that the quality of life should be similar. Nevertheless, in this respect, our rural areas are still far behind.

In economic principle, it is good to buy food stuffs at low prices. Moreover, our country has earned \$9 billion of surplus in trade with the United States. We have rank 5th behind Japan, West Germany, Taiwan, and Canada. Therefore, we must buy what we can buy from the United States. Otherwise, the export of our products will be curbed through article 301 of the U.S. Trade Act. It is certain that there will even develop emotional confrontation if we do not buy, but only try to sell.

At this juncture, we should restructure the framework of our fundamental industrial policy. For instance, we should work out a complementary policy to allow farmers to live better lives. This means that there should be a distinction between the so-called agricultural policy and rural policy. Toward this end, it is good to establish

agriculture-industry bases and it is possible to seek diversion of the money earned by exporting automobiles and electronic products to improve the standard of farmers' living.

Today, in the international community, living alone is impossible. Businessmen, farmers, and workers should all realize this in their own positions and seek the wisdom of being moderate to avoid catastrophe. At the same time, we would like to stress that it would be courteous for the current economic ministers to responsibly settle the three major pending issues for the next regime.

ROK Daily Urges Unhurried Trade Negotiations With U.S.

*SK080939 Seoul CHOSON ILBO in Korean
6 Jan 88 p 2*

[Editorial: "Do Not Make Haste With Trade Negotiations With the United States; We Oppose a Package Settlement"]

[Text] We suggest that the government not make haste in the ongoing trade negotiations with the United States. In light of the important contents of the trade negotiations, we should not lose pace in the negotiations, however strong the U.S. pressure may be. The government should know that in the negotiations, if we come to a hasty conclusion, proceeding from a defeatist idea, or if we cling to a calculation for our own benefit only, this will lead us to gain nothing and, instead, will lead the negotiations to end with unjustified concessions on our side.

Such a suggestion is based on our repeated experience that the government's attitude in trade negotiations with the United States in the past have created strong dissatisfaction and distrust among our people. Most trade negotiations with the United States held since early 1980 have ended with a package settlement as unilaterally demanded by the United States. Furthermore, the United States has never ceased its repeated pressure and offensive toward our country despite our repeated concessions to its demands for opening our domestic markets. In view of these facts, there are certainly problems in our government's capability and attitude in trade negotiations with the United States.

Of course, our people, also, know well that such goods as U.S. beef and cigarettes and U.S. insurance companies, the main issues of the latest trade negotiations, are not weighty problems when compared to the scale of the black figures that we went into in trade with the United States last year. We also know that the might of the farfetched weapon called Section 301 of the U.S. Trade Act is very powerful. However, the key lies precisely in our government's negotiation attitude of tending to think first of our own problems in connection with the stance of the other side first. This is clearly defeatism and, at the same time, negotiations by horror. Otherwise,

how can such [U.S.] demands for abandoning the monopoly system of a country overnight and for recognizing an exception in the [South Korean—] policy of restricting monopolies be raised without hesitation and why does the government fail to refute these demands?

As far as our monopoly system continues to exist, free sales of U.S. cigarettes should not be allowed, even if the price of a packet of U.S. cigarettes is lowered to 100 won. The existence of the monopoly system and the problem of lowering the prices of U.S. cigarettes are completely separate problems and, therefore, they should not be mixed. The U.S. insurance problem is the same. We believe that it is unjust to grant an exception to U.S. insurance companies in the current policy of restricting monopolies simply because they are U.S. enterprises. In bilateral trade negotiations, if one side once recognizes exceptions, the consequent aftermath is great. This has been revealed in the past in negotiations on intellectual property rights. Therefore, the government should not repeat the precedent in which, with our grant of special privilege to the United States in negotiations on U.S. intellectual property rights, our country has met with a serious feud in trade with the EC and Japan.

The issue on U.S. beef involves a very delicate political issue and, therefore, cannot be settled only through economic negotiations. Although the amount of imported beef is small, its import should be closely aligned with domestic livestock policy. To do so will require time.

We once again stress that, in the current trade negotiations with the United States, it is important to settle pending issues individually and separately, taking into consideration our specific stand and situation. We oppose the negotiations being conducted hastily, under pressure of a designated deadline, and under the far-fetched insistence and threat [on the part of the United States] that pending issues be settled in one lump without receiving the compensation we should receive and should be guaranteed. The time has come when the way to pay back political debts, including their expensive interest, with the economy should be ended.

ROK To Announce Market-Opening Measures in Early 1988

*SK080303 Seoul YONHAP in English
0247 GMT 8 Jan 88*

[Text] Seoul, Jan. 8 (YONHAP)—The Korean government will come up with market-opening measures allowing wider access of U.S. goods to Korean markets later this month in an effort to settle pending trade issues between the two countries, a government source said Friday.

The source said the government plans to announce the measures around Jan. 20 which will cover imports of U.S. beef, a cut in the retail price of imported foreign cigarettes and a wider opening of the insurance market.

It will also take strong steps to help minimize damage stemming from the move to open Korean industries, he added.

The government plans to lift an import ban on U.S. beef for use at tourist hotels at the earliest possible date, while considering a resumption in negotiations on imports of U.S. beef for use at other restaurants.

As for foreign cigarettes, it is studying a plan to first lower the domestic sales price from 1,300 won (about 1.65 U.S. dollars one dollar is worth about 790 won) to 820 won per pack, the minimum price under the current customs law. After revising the law in the near future, the government plans to further lower the price to the 700 won level beginning next year, according to the source.

Imports of foreign cigarettes were first allowed in September 1986. At present, imported brands account for only 0.3 percent of the Korean cigarette market, scaled at about 1.8 trillion won.

When the domestic sales price slips to about 820 won per pack, the market share of foreign brands is expected to rise to about 5 percent and further to 10 percent or higher around next year, making a serious dent in the domestic industry.

The source said the government, due to losses in tariff earnings, plans to compensate domestic tobacco growers and to help finance farm households who intend to change their line of business.

The government is also considering excluding Korea's 30 biggest businesses from setting up joint ventures with U.S. life insurance companies but approving joint ventures in cases when applications have already been made with the top 30 businesses.

The U.S. side has demanded that Korea allow joint ventures between U.S. life insurance companies and Korea's biggest 30 firms but the Korean government has expressed its unwillingness to such a move, citing its standing policy against the concentration of wealth in big businesses.

The U.S. government has pressed Korea to open its markets wider to U.S. goods and services, threatening to invoke section 301 of the U.S. trade act which empowers the U.S. president to halt U.S. imports from nations which use unfair trade practices.

In an attempt to avoid U.S. retaliatory action, Korean deputy prime minister and economic planning minister Chong In-yong flew to Washington early this month for four days of working-level talks with U.S. trade officials but no agreement was reached.

After the trip, Chong told reporters that the two sides agreed to continue talks on allowing wider U.S. access to Korea's markets, adding that the government will have to take actions acceptable to the United States in the near future.

Business, Industry Preparing for China Trade
SK180630 Seoul YONHAP in English
0612 GMT 18 Jan 88

[Text] Seoul, Jan 18 (YONHAP)—The growing possibility of direct trade links between south Korea and China and Beijing's official decision to participate in the Seoul summer olympic games this year have caused an onrush of hurried activity among south Korea's private sector as it seeks to map out inroads into china's markets.

Ranging from language training for their employees to the recruitment of china experts into consulting bodies, south Korean companies are accelerating their moves to realize their longstanding hopes of entering china's markets which feature cheap labor.

The federation of Korean industries and the Korea foreign trade association have already begun recruiting China experts from both academic and business realms to organize consultative bodies for their member firms interested in trade with china.

The federation of Korea machinery industry cooperatives has begun extensive talks with Japanese industry over the possibility of joint operations in china's plant construction projects.

Caught up in the booming interest in China, leading elements of south Korea's private sector including Hyundai, Samsung, Lucky-Gold Star, Daewoo, Sunkyong (skc) and Hyosung, are stepping up their preparatory steps for direct dealings with the Chinese, including the creation of new task forces in their trading arms and the dispatch of future China experts to Taiwan for language training.

The leading Korean traders have also stepped up marketing and public relations activities and have begun to select promising export and import items for direct trade with China.

Samsung, which has tried to increase the volume of its indirect trade with the communist bloc nations by utilizing a task force to direct its efforts, is also busy working on strategies for the advent of direct trade with China.

Sunkyong upgraded the status of its Hong Kong branch office to that of a local incorporated entity last year to expand its participation in China's markets. Dongkuk trading, a specialized textile exporter, is considering a similar move for enhanced trade with Chinese importers.

Likewise, most Korean traders are creating task forces to obtain more information needed to determine items for export and the areas available for their advancement into china's markets.

Samsung and other leading Korean traders are offering Chinese language courses to their employees and are even sending employees to Taiwan for language study, while planning to set up neon signs in Hong Kong and other areas near mainland China as well as to open exhibit halls at their Hong Kong branch offices.

As for promising export items, Korean traders have picked electric home appliances including color television receivers, refrigerators and washing machines, as well as textile goods, steel products, miscellaneous goods, fertilizers, tires, machinery and parts. They are also interested in purchasing China's abundant raw materials such as coal and grains.

In addition, Korean traders have expressed a keen interest in the possibility of direct investments and technology transfer with China's electronic and shipbuilding industries and other industries which offer cheaper labor costs amounting to only 30 to 40 percent of those in Korea.

Despite difficulties resulting from China's less developed economy, the Korean traders believe that china's determined drive for economic development and the subsequent drastic growth of its trade volume will eventually lead to direct trading links between the two countries.

Daily on Prospects of Friendly Ties With PRC
SK240632 Seoul KYONGHYANG SINMUN in Korean
22 Dec 87 p 2

[Editorial: "Can the Door to Communist China Be Opened? Many Indications of Possibility of President-elect No's Visit to Communist China Are Seen"]

[Text] The continent of China and the Korean peninsula are inseparably related to each other historically and geographically. No matter how high the barrier of ideology may be and although the two countries had hostile relations at one time, the two regions will have to maintain cooperative relations in the long-range view of history. Seeing the recent moves to improve relations between South Korea and communist China, we come to think that this trend reflects the principle of history. We have witnessed that this principle of history has been repeated in many regions of the world. In other words, we can see the principle of history in the current relations between France and West Germany.

Seeing the recent moves to improve relations between South Korea and communist China, which have become more active with the election as president of DJP candidate No Tae-u, who promised to normalize relations with communist China and to develop the west coast

area during the election campaign, we feel in a sense that the normalization of relations between South Korea and communist China is only a matter of time.

Granting that the normalization of relations between the two countries proceeds from the inevitability of the trend of history, our opinion is the sooner, the better. At the same time, our urgent advice is that communist China, which is now pushing ahead with its far-sighted national development plan for the 21st century under its pragmatist line, assume a more active attitude toward improving relations with South Korea.

According to reports, Pak Tong-chin, a DJP national assemblyman, visited Japan early this month and met Japanese figures concerned and communist Chinese diplomats in Tokyo. Their reaction was reportedly affirmative. It was also reported that in his personal letter to President-elect No Tae-u, delivered by LDP Secretary General Shintaro Abe, who visited Seoul on 20 December, Japanese Prime Minister Noboru Takeshita vowed that the Japanese Government would make active efforts to improve relations between South Korea and communist China.

Along with this, according to foreign press reports, communist China recently decided to establish economic zones for foreign investment, which are similar to the Shenzhen Special Economic Zone on the Shandong peninsula and the Jiaodong peninsula, opposite our west coast.

What draws our attention is that communist China's announcement of the development plan for the Shandong and Jiaodong peninsulas was synchronized with our side's announcement of the west coast development plan. Shandong peninsula is located only 300 km from our west coast; therefore, the participation of our enterprises, which have advanced to every corner of the world, would definitely and greatly contribute to the national interests of the two countries.

The relations between South Korea and communist China and between South Korea and the communist bloc in East Europe would have already been established had there been no obstacle, namely, North Korea.

However, we think the time has come for the countries concerned to be aware that their attitude of evading the normalization of relations with South Korea—which is no longer a small country in the Far East, but one whose role in international society cannot be ignored—for no other reason than the opposition and hindrance of North Korea has reached a limit.

In this sense, we presume, not only communist China, but also communist countries in East Europe paid unprecedented great interest in our 16 December presidential election. Such a trend may reflect inevitable changes in their attitude toward South Korea, which has become a country that plays a great role in international society.

In the relations between South Korea and the communist bloc, which have entered the thawing season, the problem is which side can boldly break the ice and open the road of normalizing relations first. We presume that communist China is the country with the highest possibility of doing this job.

In this sense, we hope that the new year will not only greet a historic event of opening a new breakthrough in the relations between South Korea and communist China, but also bear fruition in the pingpong love between communist China's Jiao Zhimin and South Korea's An Chae-hyong.

Government Protests EC Removal of GSP Favors
SK190010 Seoul THE KOREA TIMES in English
19 Dec 87 p 1

[Text] The government yesterday made a strong protest against the European Community (EC) for its move to remove generalized system of preference (GSP) favors on Korean products exported to its market.

Earlier this month, the EC Council decided to scrap GSP benefits on Korean products sold on the EC market unless the Korean government converted process patents rights into product patents rights as it did for the United States.

The removal of the EC'S GSP favors on Korean products will be finally decided upon in a meeting of the EC Council of Ministers slated for Monday.

Trade-industry Minister Na Ung-pae said the EC move to scrap GSP favors would seriously hamper the promotion of economic and trade relations between Korea and the 12-member community.

In a meeting with reporters yesterday, he indicated the government would withdraw its decision to protect EC'S intellectual property rights, namely copyrights and computer software rights, if the EC pushed ahead with its move.

The government decided to protect U.S. intellectual property rights and to gradually convert its process patents rights into product patents rights from July 1 this year as means to tide over mounting U.S. pressure to rectify its accumulating trade deficits with Korea.

In addition, the government assured the EC that its intellectual property rights would be equally protected as its U.S. counterparts.

However, the government withheld the conversion of EC'S process patents rights into product patents rights for the interests of domestic manufacturing houses, thereby inviting a vortex of criticism from the European Community.

The EC has been protesting that it is unrealistic for the Korean government to discriminate the community against the United States.

In return, the government defended that it was impossible to allow the conversion of EC'S process patents rights into product patents rights, citing that the conversion of U.S. process patents rights was only a bilateral issue between Korea and the United States.

But the government indicated it would discuss the matter with the EC, after holding two rounds of meetings with EC'S leaders in Seoul last month.

During the meeting with reporters, Minister Na argued that GSP should be indiscriminately operated on the principles of non-reciprocal basis for the economic development of developing countries.

Ministry Announces Lowering of Tariff Rates on 356 Import Items

SK190150 Seoul YONHAP in English
0128 GMT 19 Dec 87

[Text] Seoul, Dec. 19 (YONHAP)—In a bid to help stabilize domestic prices and ease trade frictions with the United States, the Korean government will lower concessional tariff rates on 356 import items by up to 25 percentage points next year, the ministry of finance said Friday.

The 356 items are those whose domestic prices have been increasing sharply due to shortages while most of them are imported from the United States.

They include frozen fish, beef tallow, palm oil, naphtha, ethylene, dyestuff intermediates, pulp, nylon yarn, platinum, gold ingot, zinc lead, tin and technical materials for pesticides.

Under the government's tariff reduction plan, 199 of the 238 items currently listed on the concessional tariff rating system will remain listed for an additional six months to one year. The outstanding 39 items will be excluded from the concessional tariff list while 157 items are to be newly added, according to the ministry.

The ministry said the concessional tariff rates will be lowered by an average of 9.9 percentage points, more than half the rate of current customs duties. It also estimated that the tariff reduction would result in a loss of 188 billion won (about 236 million U.S. dollars) in tax revenues.

Microphones and micro receivers are two products whose tariff rates will be cut by 25 percentage points to 5 percent.

Meanwhile, commodities will be classified under the new harmonized commodity description and coding system (h.s.) beginning Jan. 1 next year, the ministry said.

The new system will replace the current customs cooperation council's nomenclature (cccn).

Under the h.s. system, the nation will use a 10-digit number to classify products instead of the current eight-digit cccn code.

The 7,991 items on the cccn list will be increased to 10,184 under the h.s. system.

More than 50 countries, including the 12-nation European Community and Japan, will implement the new system next year.

H.S. is a single modern structure for the classification of commodities which can be used in customs, trade and transportation, insurance and statistics.

Korean Airlines Executive Visits Shanghai

SK230200 Seoul Domestic Service in Korean
0100 GMT 23 Dec 87

[Text] (Correspondent Yi Min-hui from Tokyo) The Japanese Daily YOMIURI SHIMBUN today reported that Communist China secretly invited Chon Chung-hun, chairman of the Korean Airlines, to Shanghai to discuss ways to transport the Communist Chinese sports team to participate in the Seoul Olympics. YOMIURI SHIMBUN, quoting a source in Shanghai, said that Cho Chung-hun, chairman of the Korean Airlines visited Shanghai last August and met with officials of the Communist Chinese Government at a first-class hotel in Shanghai.

The Communist Chinese officials then expressed their desire to use a special plane of the Communist Chinese civil airline between Beijing and Seoul as a means to transport the Communist Chinese sports team to participate in the Seoul Olympics. Chairman Cho Chung-hun promised that he would convey this desire to the ROK government, added YOMIURI SHIMBUN.

YOMIURI SHIMBUN also reported that when Communist China participated in the Asian games last year, it invited top executives of the Korean Airlines to Beijing to hold prior discussions on transporting the Communist Chinese sports team. The paper said that in view of the fact that North Korea strongly objected to the Korean Airline executives' visit to Beijing last year, Communist China asked Chairman Cho Chung-hun to come to Shanghai by way of Hong Kong.

Credits for Imports From Trade Deficit Countries
SK180202 Seoul YONHAP in English
0150 GMT 18 Jan 88

[Text] Seoul, Jan 18 (YONHAP)—The Korean government has decided to extend a total of 3 billion dollars in foreign currency credits this year to support firms that plan to import facility goods and raw materials from countries registering deficits in their trade with south Korea, finance ministry sources said Monday.

The government is providing the credits to encourage firms to import more goods from those countries, including the United States and the European Community (EC), in order to manage the balance of payments surplus and alleviate trade frictions with those countries.

The sources said the Korean government believes that the special credit plan produced favorable results last year in managing the balance of payments surplus.

As of last week, the government has extended a total of 2,863 million dollars in foreign currency credits under the plan since last June when the plan was launched.

Of the total, 2,041 million dollars was provided for imports of facility goods and 822 million dollars for imports of raw materials.

Of the total imports paid for by the credits, 51 percent came from the United States, 39 percent from Europe and 10 percent from other regions.

Government To Lower Duties on Small Cars
SK170234 Seoul THE KOREA TIMES in English
17 Jan 88 p 6

[Text] The government plans to lower the rate of customs duties imposed on imports of small passenger cars with engine capacity of less than 2,000 cc, from the present 40 percent to 30 percent, it was learned yesterday.

The reduction of customs duties will be effective from July this year when imports of small passenger cars are liberalized.

As imports of passenger cars with the engine capacity of more than 2,000 cc were liberalized last year, the domestic car market will be fully opened to all kinds of foreign passenger cars from July, thereby generating more hectic competition between local and foreign automobile makers.

The cut in tariffs rate levied on imports of small passenger cars is aimed at easing the mounting trade friction with the United States and the European Community (EC).

The government has also decided to sharply reduce special excise tax and other levies posted on locally-made small passenger cars in order to increase their domestic competitiveness with their foreign counterparts.

At present, Hyundai Motors, Daewoo Motors and Kia Motors manufacture subcompact cars.

According to the Trade-Industry Ministry, the relevant economic ministries have agreed to the reduction of customs duties allocated on foreign subcompact cars, and the special excise tax and other levies imposed on locally-made subcompact cars.

Sources at the ministry said that they shared the view that the development of the domestic automobile industry free of trade friction depends on the simultaneous expansion in imports of small passenger cars and in the domestic consumption of locally-produced subcompact cars.

Upon their agreement, the Trade-Industry Ministry will allow imports of more than 2,000 small passenger cars this year.

The ministry also plans to reduce the rate by an additional 5 percentage points next year and again in 1990, in a bid to make the rate the same as the average 20 percent imposed on imports of industrial products.

In the meantime, the ministry is taking steps to reduce the financial burden on domestic buyers of imported foreign passenger cars on a large scale in consideration of the fact that the prices of foreign cars are more than double those of locally-manufactured cars.

With the import liberalization of passenger cars with engine capacity of more than 2,000 cc last year, the ministry expected that some 500 units would be imported last year.

However, only 15 cars are discovered to have actually entered the domestic passenger car market, a fact mainly attributed to the imposition of high tariffs and other levies on imports of passenger cars.

So, such high tariffs and levies imposed on foreign small passenger cars are adding fuel to trade friction with the United States and other advanced countries.

At present, the United States levies an average 2.6 percent tariffs rate on foreign passenger cars, Canada an average 9.2 percent and the European Community an average 10 percent.

Meanwhile, the Trade-Industry Ministry is set to enhance the domestic sales of locally-made small passenger cars in an attempt to remove the heavy dependence of the domestic automobile industry on exports.

Among the steps to facilitate domestic consumption is the sharp reduction of special excise tax and other levies through the revision of the present law governing special excise tax and provincial ttx.

Currently, the retail prices of local brands on the domestic market are 1.98 times their factory prices and those of foreign brands are 3.65 times the factory prices of their Korean counterparts.

The unusual high retail prices of local brands are chiefly blamed for hindering the increase in the domestic sales of locally-made small passenger cars.

The domestic consumption of local passenger cars now leads that of foreign automobiles by a ratio 3 to 1.

The ministry believes that should the ratio change to 6 to 4, the domestic automobile industry will see more stable development in the years ahead.

Beef Import Plan Draws Livestock Union Protests
SK300249 Seoul THE KOREA TIMES in English
30 Dec 87 p 6

[Text] Cattle raisers are up in arms at the government move to allow imports of beef for hotels.

Protesting the government plan for opening of the beef market, representatives of livestock unions across the nation have held a series of meetings, adopting proposals to be sent to such relevant organizations as the ruling Democratic Justice Party, Economic Planning Board and Transportation Ministry.

The "protest" rallies were organized by representatives from 158 unions affiliated with the National Livestock Cooperatives Federation.

At a meeting last weekend the union representatives decided to wage a national campaign to stop the beef imports, criticizing the government move to open the beef market as a giving in to the mounting pressure from the United States.

They argued in a resolution that beef imports will break up the beef industry and thus, threaten the livelihoods of cattle raisers.

A spokesman for the NLCF said that local branches will stage rallies nationwide today calling for a stop to the planned beef imports.

Also planned on Jan. 8 is an anti-beef import rally by people involved in the dairy and beef cattle breeding industry, he said.

A high-ranking official at the Agriculture, Forestry and Fisheries Ministry, however, denied the report that the import of beef for hotel use is imminent.

"As for beef, the timing of the importation has yet to be decided," he said.

He said an agreement has been reached between Korea and the United States that beef imports will not start till beef prices at home are stabilized.

He said the price level that yields a profit to growers is 1.1 million won per 400-kg head but prices now stand at 1.02 million won.

As of the end of August, beef cattle numbered 2,619,000, including 460,000 milch cows, according to a ministry tally.

For the use of hotels, high quality beef used to be imported. The figures were 600 tons in 1981; 821 tons in 1982; 1,323 tons in 1983 and 2,424 tons in 1984. In 1985, 1,313 tons, or \$5,547,000 worth, were imported and since then, beef imports have been banned.

Official Hopes To Minimize Market-Opening Damage
SK170222 Seoul THE KOREA TIMES in English
17 Jan 88 p 6

[Article by staff reporter Kim Chae-il: "'Damage to Farmers Must Be Minimized in Inevitable Opening of ROK Markets'"]

[Text] "What matters is whether the country has the agricultural production structure to prepare for the market opening for farm product. The question is not whether Korea will allow the agricultural imports or not," said Dr. Ho Sin-haeng, research director at the Korea Rural Economics Institute.

Conceding that the market opening is "inevitable" in view of the world trend, Ho said that damages to farmers should be minimized.

With the unprepared situation, he said, the country is being cornered by pressure without considering possible options.

The immediate opening of the domestic market to foreign farm products will demand sacrifices from farmers, arousing several social problems, including the widening income gap between urban and rural areas.

The government should have prepared for the market opening during the mid-1970s through agricultural modernization, according to Ho.

Ho said that in pursuit of "economics of scale," based on realignment of production base and technical innovation, such strategic items as pork, poultry and vegetables should have been fostered.

Ho said Washington has demanded that Korea increase the import liberalization rate of farm products, up to the 95 percent level similar to that of the United States and Japan. At present, Korea's market opening rate for farm products stands at about 75 percent.

The market opening pressure by the United States started in the late 1970s and has since escalated in line with the increasing exports of industrial products.

Since 1986, when Korea recorded its global trade surplus for the first time, the United States has stepped up pressures, threatening trade retaliations.

However, Ho said, Korea imported 8 million tons of wheat, soybeans and corn annually, which are excluded from the items subject to the import liberalization.

If the "state trading" items are taken into account, the real import rate is quite high, he said. Imports of canned food are mostly open, but importation of fresh grain, livestock vegetable and fruit items is regulated, according to Ho.

Turning to the issue of American beef imports, Ho attributed the increasing U.S. pressure to the lack of the Korean government efforts to explain the reality of the rural economy.

He said that the U.S. seems to understand Korean stance concerning the beef imports as exaggeration or pretention.

Half of 2 million farmhouses nationwide are involved in the cattle rearing industry—two heads per family on average. The cattle are regarded as their third asset, following land and houses.

Without the cattle, the farmers will have no substitution to saving and ploughing means. The population sees an increase of 510,000 persons a year, and the opportunity cost of less-skilled and less-educated farmers is almost zero, he said.

About 4.5 million people of 1 million farmhouses rearing cattle will be seriously damaged if the beef importations is liberalized, according to Ho.

The United States must pay attention to why Korean farmers do not complain about the importation of 8 million tons of grains but strongly protest against the government's move to open the beef market, he stressed.

The imports of frozen potatoes will also do great damage to farming households, especially in Kangwon-do areas of which the main produce is potatoes and corn, he said.

To cope efficiently with the ever-escalating pressure for import liberalization, Ho proposed that the country go ahead with restructuring of agricultural production while delaying timing to the latest possible extent.

Pork, pears, apples and flowering plants, through quality improvement, can be induced to be developed as export items, he proposed.

If the beef market is open, beef products should be imported by livestock cooperatives in a way to minimize the damage to farmers. Imported beef should be sold to consumers at high prices and the proceeds should go to livestock farmers, he said.

Ho went on to recommend that a quota system should be applied for the imports, which he said will be beneficial to both countries.

Specialized cattle farmers should be fostered together with the expansion of cattle farms, lowering down the production cost, he said.

"The market opening should be directed toward the minimum sacrifice of farmers. It should be done on a gradual basis," he emphasized.

Foreign Maritime Investment Allowed Next Year
SK240041 Seoul THE KOREA TIMES in English
24 Dec 87 p 6

[Text] Foreigners will be allowed to invest in shipping-related industries next year under a government plan to liberalize the domestic shipping market.

The Korea Maritime and Port Administration said yesterday foreigners would be entitled to own up to 49 percent of a company's total equity shares under a partnership agreement from the second half of next year.

Foreign shipping companies will be permitted to establish branch offices here and domestic shipping companies will be authorized to import second-hand vessels.

These are highlights of the planned revision of laws concerning shipping and shipping-related business.

The KMPA said yesterday that the government will open domestic shipping markets wider to ease U.S. pressure in trade.

The revised maritime transport law draft stipulates that foreigners be entitled to invest up to 49 percent in shipping-related business.

Shipping-related business is international freight forwarding, shipping broking, shipping agent and ship leasing.

Currently, foreigners are unable to invest in the business except ship leasing as foreign-invested shipping-related firms are not allowed to register businesses with the government.

Foreign shipping companies will be allowed to establish branch offices, by inserting a regulation concerning the establishment in the Maritime Transport Law.

The government will also designate second-hand ships as those under import liberalization programs for 1988 to allow domestic shipping companies to import second-hand vessels.

Various kinds of restrictions are laid in the importation of second-hand ships to curb excessive importation.

Shipping agent business registration will not be cancelled regardless of business performance.

Shipping agents which never achieve freight revenue up to \$100,000 nor handle less than 60 ships in the first year will be cancelled in the business registration.

From the second year, the requirement doubles to \$200,000 in revenues and 120 ships in foreign ship handling.

Meanwhile, the government will simplify some 40 kinds of business permission procedures.

The KMPA plans to rewrite the related laws in the first half of next year.

POLITICAL

Kim Il-song Delivers New Year Address *SK010817 Pyongyang KCNA in English* 0758 GMT 1 Jan 88

[Text] Pyongyang January 1 (KCNA)—The great leader President Kim Il-song delivered a new year address for 1988.

Referring to the successes achieved last year, President Kim Il-song said:

Under the leadership of the party, our people displayed unparalleled heroism and performed shining labour exploits on the first leg of their advance under the new plan for grand socialist construction and made a breakthrough in its implementation. Thus, they marked 1987 as a glorious year of praiseworthy successes.

Last year we set the strategic task of economic construction, the task of strengthening the material and technical foundations to reach the major objectives of the key industries and provide a full solution to the problems of food, clothing and housing for the people, and concentrated our efforts on capital construction, he said, and went on:

Last year our power-station constructors made a decisive advance in the construction of the taechon power station by carrying out the difficult project to cut a 40-kilometre-long waterway tunnel and finishing the first-stage work of building the gigantic songwon dam with success and pressed ahead with the construction of the kumgangsan power station which will be the largest of all our hydroelectric power stations, and many other large and small ones.

Last year we concentrated efforts on the construction of the sunchon vinalon complex, the large chemical industry complex, he noted, and said: we also undertook the construction of the sariwon potassic fertilizer complex, a powerful light metal production centre.

The constructors in the tanchon area completed the projects for the extension of the tanchon magnesite factory and for the construction of the unsong crushing and screening plant. As a result, the magnesite-clinker production capacity was raised to two million-ton level, and the first-stage work of building the tanchon smelter was finished.

He said that the young people built virtually all the facilities for the whole section of the railway in the northern region linking the eastern and western regions and opened the section which covers a distance of 100 kilometres.

The people who are building Kwangbok street sped up the difficult and complex project for large-scale construction, and thus added a brilliant chapter to the history of the construction of the capital, he noted, and went on:

Last year our heroic working class and all the other working people built many monumental structures of lasting value by displaying patriotic devotion and creative enthusiasm. They also made valuable successes on all fronts of socialist construction, successes which will contribute to the prosperity and development of the country and to the promotion of the people's well-being.

Pointing to the tasks for this year, a year of great significance which marks the 40th anniversary of the foundation of the republic, he stressed:

This year we must bring about another great upswing in all fields of socialist construction and ensure that our republic which has risen to a high level as a socialist state that has become independent, self-sufficient, and self-reliant in defence, by overcoming many-fold difficulties and trials, will demonstrate its might to the whole world and celebrate its 40th anniversary as a grand festival of victors.

The central task facing us in socialist construction this year is to add greater momentum to the grand project which is already making long strides.

First of all, we must continue to direct great effort to the projects for expanding and strengthening the technical foundations for production in the power industry, coal mining, metallurgy and other key industries.

Efforts must be concentrated on the construction of the Taechon and Wiwon power stations and the Sunchon thermal power station, the third-stage work of the Sodusu power station, the construction of the Kumgangsan, Nyongwon, Huichon, Namgang and Kumyagang power stations, the building and expansion of the coal mines in the Anju and Sunchon areas and in the northern and other areas, the second stage expansion project of the Kim Chaek iron and steel complex, the building of a new steel plant with a capacity of 2 million tons, the construction of the Sunchon vinalon complex and the Sariwon potassic fertilizer complex, he said, and stressed:

If we are to provide successfully for the grand construction work being undertaken throughout the country and develop transport in step with the ever-increasing production, we must radically increase the capacity of transport by concentrating great efforts on the railways.

In continued adherence to the agriculture-first policy of our party, he said, the farmers must cultivate crops by the *chuche*-farming method and effect a new turn in agricultural production this year.

He went on: carrying out this year's tasks successfully is not only important in hastening the complete victory of socialism in the northern half of the republic, but will greatly inspire the fighting South Korean people and clearly show the validity and vitality of the *chuche* idea to the world's progressive people who are building an independent, new life.

All sectors and all units of the national economy must apply the system and method of *chuche*-oriented socialist economic management that accord with the natural requirement of the socialist system and the situation in our country so as to strengthen the collective leadership of the party committee and implement the mass line. in this way we shall give full scope to the superiority of the socialist system and bring about continual upswing and innovations in production and construction.

Referring to the question of national reunification, he said: the year 1987 was a year when the struggle for peace and the peaceful national reunification was inoensive in the north and the south of our country.

Noting that last year our party and the government of the republic made a proposal for phased disarmament and a five- point proposal for national unity, and worked hard to implement them, and that throughout last year the people from all walks of life in south korea fought determinedly to achieve the peaceful reunification of the country.

In particular, in the "presidential election" held recently in South Korea 12 million people, far exceeding the majority of voters, clearly expressed their will rejecting prolonged military rule and demanding a civilian government, and showed that no one could ignore this powerful fighting force.

If the country is to be reunified independently and peacefully. it is most urgent that the north and the south have an attitude and willingness to become reconciled and united with each other.

Playing into the hands of foreign forces, our nation has suffered unbearable disasters and misfortunes for more than 40 yeZrs. in order to end this disgraceful history and defend national interests, both sides, one and the same nation, must not attempt at a competition but be willing to become reconciled and united and make joint efforts to reunify the country.

We must be ready to remove the military confrontation and eliminate the danger of war in every way possible, and make a bold decision to adopt a non-aggression declaration, a sure guarantee that the north and the south will refrain from attacking each other.

Promoting national reconciliation and unity and easing the tension at present are the minimum requirement of principle for holding north-south talks and settling the reunification question.

We believe that we shall be able to cooperate for national reunification with anyone who takes this principled attitude. If they show such a sincere attitude, we will meet and converse at any time not only with the people from all walks of life, political parties, organizations and people of different opposition groups, but also with the south korean rulers, unless this is contrary to the people's will, and we will meet everyone individually or collectively to exchange opinions without reserve.

This year we must turn the situation on the Korean peninsula decisively in favour of peace and peaceful reunification of our country.

Out of this desire, we insist that the problems of discontinuing the "team spirit" joint military exercise, and other large-scale war games from this year onwards, of arranging multinational disarmament talks, of hosting the 24th Olympic games jointly by north and south, and of ceasing to hurl abuses and slanders against each other, must be discussed and settled without delay.

By resolving these problems of the day, the north and the south will make this year a historic year that will provide the opportunity of a new change for national reconciliation and unity. for this purpose, we propose to convene a north- south joint conference attended by persons in authority of both sides and the representatives of all the political parties and social organizations and people of all social standings. this meeting will make it possible to open a new phase in breaking ohe deadlock between north and south and promoting peace and peaceful reunification of the country, the burning desire of the whole nation.

For the fundamental settlement of the question of the reunification of our country, the relations between the DPRK and the United States must be settled.

The United States must conclude a peace agreement with us, remove as soon as possible the traces of the past which were undesirable to both sides, and open a new chapter in the annals of Korea-U.S. relationship in keeping with the current trend to peace.

We consider it the most reasonable settlement of the question of our country's reunification to establish a single confederal state, neutral and non-aligned, on the basis of the north and the south recognizing each other's existence.

Thanks to the positive external activity of our party and the government of our republic, last year the friendly ties between our country and the socialist, non-aligned and all the other peaceloving countries throughout the world were strengthened and the international solidarity with our revolution was increased.

The most important question in the field of international politics at the moment is to eliminate the source of nuclear war and preserve peace.

We consider that the recent signing of the treaty on partial nuclear disarmament between the Soviet Union and the United States is a significant starting point on the way to a universal nuclear disarmament. The Korean people who feel a constant threat of a possible nuclear holocaust because of a large number of u.s. nuclear weapons deployed in south korea, are vitally interested in creating nuclear-free, peace zones in many parts of the world and in abolishing nuclear weapons completely.

Pointing out that the imperialists are aggravating the international situation, President Kim Il-song stressed:

All the peaceloving people must unite and fight resolutely to preserve peace by frustrating the imperialists' moves for aggression and another war.

This year too, our party and the government of our republic, under the unfurled banner of anti-imperialism and independence, will develop the relations of friendship and cooperation with the peoples of socialist countries, non-aligned nations and other progressive people throughout the world, give unqualified support and encouragement to all the peoples in their struggle for national independence and for the building of a new society and will make all our efforts to preserve the peace and security of the world.

Kim Il-song on Convening North-South Conference

*SK020710 Pyongyang KCNA in English
0608 GMT 2 Jan 88*

[Text] Pyongyang January 1 (KCNA)—The great leader President Kim Il-song, in his new year address for 1988, said this year should be made a historic year that will provide the opportunity of a new change for national reconciliation and unity.

He proposed to convene a north-south joint conference attended by persons in authority of both sides and the representatives of all the political parties and social organizations and people of all social standings.

He said:

This year we must turn the situation on the Korean peninsula, the focus of the world's attention, decisively in favour of peace and peaceful reunification.

Out of this desire, we insist that the problems of discontinuing the "team spirit" joint military exercise, and other large-scale war games from this year onwards, of arranging multinational disarmament talks, of hosting the 24th olympic games jointly by north and south, and of ceasing to hurl abuses and slanders against each other, must be discussed and settled without delay.

By resolving these problems of the day, the north and the south will make this year a historic year that will provide the opportunity of a new change for national reconciliation and unity. for this purpose, we propose to convene a north- south joint conference attended by persons in authority of both sides and the representatives of all the political parties and social organizations and people of all social standings. this meeting will make it possible to open a new phase in breaking the deadlock between north and south and promoting peace and peaceful reunification of the country, the burning desire of the whole nation.

Stressing that if the country is to be reunified independently and peacefully, it is most urgent that the north and the south have an attitude and willingness to become reconciled and united with each other, president Kim Il-song stated:

We must be ready to remove the military confrontation and eliminate the danger of war in every way possible, and make a bold decision to adopt a non-aggression declaration, a sure guarantee that the north and the south will refrain from attacking each other.

He said:

Promoting national reconciliation and unity and easing the tension at present are the minimum requirement of principle for holding north-south talks and settling the reunification question.

We believe that we shall be able to cooperate for national reunification with anyone who take this principled attitude. If they show such a sincere attitude, we will meet and converse at any time not only with the people from all walks of life, political parties, organizations and people of different opposition groups, but also with the south korean rulers, unless this is contrary to the people's will, and we will meet everyone individually or collectively to exchange opinions without reserve.

For the fundamental settlement of the question of the reunification of our country, the relations between the DPRK and the United States must be settled, president Kim Il-song said, and went on:

Speaking from the point of view of a fair deal, the United States is not at all justified in having brought nuclear weapons to south Korea and made it a nuclear base in confrontation with us who possess no nuclear arms. if these nuclear weapons are aimed at another socialist country, they ought to withdraw them from south korea now that they have concluded a nuclear disarmament treaty with the soviet union. the united states must conclude a peace agreement with us, remove as soon as possible the trace of the past which were undesirable to both sides, and open a new chapter in the annals of Korea-U.S. relationship in keeping with the current trend to peace.

Yang Hyong-sop Speaks on Kim Il-song Work
SK080503 Pyongyang Domestic Service in Korean
1300 GMT 30 Dec 87

["Report" by Yang Hyong-sop, chairman of the SPA Standing Committee and vice chairman of the CPRF, at a Pyongyang meeting to commemorate the first anniversary of the publication of Kim Il-song's work on 30 December—portions recorded]

[Text] [Begin Yang recording] Comrades: Today, under the circumstances in which all party members and workers brilliantly summed up the struggle to make the first breakthrough in the Third 7-Year Plan by upholding the important program "For the Complete Victory of Socialism" put forward by the respected leader Comrade Kim Il-song, the genius of the revolution and the great ideological theoretician, and in which the South Korean people are persistently waging the just patriotic struggle to achieve the independence and democratization of society and the independent and peaceful reunification of the fatherland, we significantly commemorate the first anniversary of the publication "For the Complete Victory of Socialism", the policy speech at the historic First Session of the Eighth SPA in which he made a proposal for holding North-South high-level political and military talks.

On this day, all of the Korean people are firmly resolved to expeditiously achieve the complete victory of socialism and the independent and peaceful reunification of the nation along the brilliant path indicated by the respected leader while recalling with deep emotion the greatness and indomitable vitality of the historic policy speech personally made by the great leader.

The respected leader Comrade Kim Il-song in his historic policy speech at the First Session of the Eighth SPA summed up great successes and experience gained by our people in the revolution and construction under the wise leadership of the party and indicated the bright way for achieving the complete victory of socialism, basing himself on scientific insight into the demand of the developing revolution and the law governing the building of socialism and communism. [applause]

The great leader again elucidated the basic position, the basic principle, and the most reasonable method for national reunification which our party and the government of the Republic should consistently maintain in resolving the question of national reunification, as well as the measures to realize them. He put forward a new proposal to hold North-South high-level political and military talks as an immediate step for national salvation to make a breakthrough for peace and peaceful reunification of the country.

The great leader Comrade Kim Il-song has taught: The key to a new breakthrough for national reunification in the present situation is to relax the sharp political confrontation and military tensions at the earliest possible date and to create an atmosphere of sincere trust in the nation.

We think it necessary to hold high-level political and military talks between the North and the South in order to settle the first and most urgent question for national reunification.

The great leader put forward a new proposal to hold North-South high-level political and military talks in which high-ranking persons in authority in the North and South and those who hold real military power participate in order to discuss the measures for eliminating the status of political confrontation between the North and South and to take immediate steps for relaxing the military tensions.

This proposal is a most realistic and reasonable, fair, and aboveboard one for national salvation to ease the sharp tensions prevailing on the Korean peninsula, improve North-South relations, and make a breakthrough for the peaceful reunification of the country. [applause]

The proposal for North-South high-level political and military talks put forward by the great leader reflects the constant peace-loving efforts and patriotic stand of our party and the government of the Republic to prevent a war and ensure peace on the Korean peninsula and accelerate national unity and the peaceful reunification of the country.

Nevertheless, the United States and the South Korean authorities further strained the situation by constantly pursuing the line of confrontation and war while ignoring our repeated peace efforts. Thus, none of our peace proposals have been realized.

The proposal for North-South high-level political and military talks put forward by the great leader fully reflected the consistent position of our party and the government of the Republic which are continuously making efforts patiently for peace and peaceful reunification of the country, although our repeated peace efforts have not brought about due fruition.

This proposal is a patriotic nation-saving step correctly reflecting the demand of the urgent situation created in the country. The United States and the South Korean ruling faction drove the multilateral North-South dialogue into a state of rupture all at once, ignoring our repeated peace proposals. Not satisfied with this, last year they perpetrated more frantic commotions to instigate distrust and antagonism against the northern half of the Republic among the South Korean people by concocting various slanderous incidents from the beginning of the year.

They repressed with unprecedented cruelty the South Korean youths and people who rose to demand the independence and democratization of society by linking them with us. In particular, running counter to our peaceful proposals, they brought into South Korea, where more than 1,000 nuclear weapons have already been deployed, on a large scale the notorious neutron bombs, lance missiles, F-16 fighter-bombers, and other nuclear delivery means. They not only built nuclear arsenals in many places but also frantically instigated the atmosphere of war by staging on a large scale various extremely provocative war exercises including the large-scale "Team Spirit" joint military exercise.

Waging preposterous propaganda that we have worked out plans to invade the South on the occasion of the 1988 Olympics, that the construction of our Kumgangsan Power Station is designed for a flood offensive and so forth, they ran amok to artificially create confrontation and danger of war.

As a result of this, the state of confrontation between the North and South has become extremely acute and the danger of war has emerged as an impending reality, not just as a possibility. A grave situation in which a general war may break out at any moment has been created on the Korean peninsula.

Facing such a serious reality in which the destiny of the nation and the people is in the crossroad of life or death and of rise or fall, all patriotic Korean people demanded that a correct path be opened to overcome the crisis.

The proposal for North-South high-level political and military talks put forward by the great leader is the most realistic nation-saving measure which indicates the path for overcoming such a grave difficulty created in our country and for easing tension and preventing war. [applause]

It is clear to everyone that such political and military issues as one of eliminating the status of political and military confrontation between the North and South cannot be resolved through such North-South talks as the Red Cross talks or economic talks which were already provided. Eliminating the status of political and military confrontation between the North and South and creating an atmosphere of trust and reconciliation can be successfully realized only through the negotiations in which the high-ranking persons in authority of both sides and those who have the real military power participate.

The proposal for North-South high-level political and military talks put forward by the great leader is not only a timely, nation-saving step designed to open a phase favorable to peace and peaceful reunification of the nation but also a most urgent, fair, and just national salvation measure even in view of its contents to be discussed at the talks.

The great leader proposed that such impending questions as promoting national ties and eliminating the status of political confrontation by realizing multilateral collaboration and exchanges between the North and South and ending mutual slander and smear be discussed at the North-South high-level political and military talks, when they are realized. At the same time, he proposed that such impending issues for relaxing tension as arms reduction, ending the arms race, making the Military Demarcation Line [MDL] and DMZ a peace zone, and ending the large-scale military exercises be discussed.

The political confrontation between the North and South is increasing because the national ties have been severed and slander and defamation intensified. The military confrontation and the danger of war are expanding because troop reinforcement and the arms race have been deepened and military exercises and the status of confrontation along the MDL have been strengthened.

Therefore, in order to eliminate the status of political and military confrontation between the North and South, these issues should be resolved first of all. The great leader proposed in his policy speech that these issues be discussed at the high-level political and military talks. For a fair implementation of this proposal, he put forward the issues of enhancing the authority of the Neutral Nations Supervisory Commission [NNSC] and organizing the Neutral Nations Supervisory Army consisting of NNSC military members as an organization of watching the military activities of both sides in the MDL and DMZ.

The great leader stressed that the North side is ready to discuss any proposal made by the South Korean side other than these issues at the North-South high-level political and military talks if such a proposal is helpful to easing the political and military situation.

This proves that the proposal for North-South high-level political and military talks is a peace proposal which ensures a fair resolution of the issue of eliminating the status of the impending political and military confrontation, not resolving the issues according to the interest of merely one side.

The proposal for North-South high-level political and military talks is the most realistic and reasonable peace plan which embodied the lofty patriotic intentions and thoroughgoing peace-loving will of the respected leader, a peerless patriot who submits everything to the cause of national reunification, paying greatest attention to the interests of the nation and the people and transcending the differences in ideologies, ideals, and past careers. This is a bold nation-saving step which can be advanced only by the great leader. [applause]

If this fair plan, which can be accepted by anyone wishing to ease tension and peace, is realized, confrontation and the danger of war will undoubtedly be eliminated and the atmosphere of national reconciliation

and unity will be created in our country. Furthermore, dialogue between the North and South will be actively pushed ahead in many domains.

In his historic policy speech, the great leader not only put forth the proposal for North-South high-level political and military talks as a measure for easing tensions created in the country and for creating an atmosphere of peace and dialogue but also advanced the issue of maintaining the three principles of independence, peaceful reunification, and great national unity as the basic principles for national reunification. He also put forward the issue of achieving the independent and peaceful reunification of the fatherland by establishing a confederal republic and neither the North or South dominate or be dominated and the principled issues to be raised in the course of national reunification including the issue of realizing the plaza of pan-national dialogue by holding a joint conference between the political parties and public organizations in the North and South.

Indeed, the measures to ease tension and steps for national reunification put forward by the great leader in his historic policy speech are a torch fire for nation-saving reunification that can resolve most correctly the question of national reunification by eliminating distrust and misunderstanding, which have historically accumulated between the North and the South, and by creating an atmosphere of national unity and peaceful reunification. They are an encouraging banner that inspires all of the people along the single path of sacred, peaceful reunification.

At this significant meeting to mark the first anniversary of publication of the great leader's historic policy speech "For the Complete Victory of Socialism," I respectfully extend the greatest honor and warmest thanks to respected leader Comrade Kim Il-song, the sun of the nation and the lodestar of national reunification, who illuminates the path for peace and peaceful reunification of the nation by embodying the immortal *chuche* idea and who wisely leads the national cause for reunification with the sense of boundless admiration of all the Korean people. [applause]

Comrades, the past year since the great leader put forward the proposal for North-South high-level political and military talks in his historic policy speech was a period of fierce struggle between the line of peace for dialogue and easing tension and the line of confrontation of pursuing war and division in our country. [end recording]

Yang Hyong-sop continued saying: We have made every possible sincere effort to realize the proposal for North-South high-level political and military talks put forward by the great leader. However, none of such sincere efforts have been achieved due to the position of the South Korean authorities of denying dialogue and peace.

He then said: [begin Yang recording] The South Korean ruling faction, which has completely blocked the path of dialogue, has officially declared that it will further strengthen the "Team Spirit" joint military exercise together with the U.S. imperialists, thus denying dialogue and pursuing war. The South Korean ruling faction dashed along the criminal path aggravating the tension of the nation by staging large-scale war exercises in succession against us. Even under circumstances in which the U.S. imperialists and the South Korean puppets continuously pursue confrontation and war, running counter to the aspirations of the people at home and abroad and the trend of the world, we have not ceased efforts to ease tension on the Korean peninsula and provide a turning point for peace and peaceful reunification.

In a statement by the DPRK Government on 23 July, we put forward the proposal to reduce armed forces in the North and the South in a phased manner, to gradually reduce the number of U.S. troops and nuclear weapons in South Korea accordingly, and to have them withdraw and provide multinational arms reduction talk for abolishing the U.S. bases.

To achieve a breakthrough in practical arms reduction on the Korean peninsula, we have taken the step of unilaterally discharging 100,000 troops of the KPA, a reduction which we had declared would take place by the end of this year. Our new proposal for arms reduction negotiations is a most realistic proposal for eliminating the basic cause of the armed clashes in our country and ensuring a durable peace.

This proposal is a most reasonable peace initiative for removing the danger of war in our country and firmly guaranteeing everlasting peace by ensuring the military balance in such a manner as to reduce the armed forces, not increase them, and is a just proposal that corresponds to the trend of the times which calls for arms reduction and the withdrawal of foreign troops and which aspires for global peace.

Thus, our new arms reduction proposal evoked wide support and the sympathy of the people at home and abroad as soon as it was made public. Embarrassed by this, the South Korean authorities put forward a proposal for the so-called North-South foreign ministers' talks to discuss issues of concluding a nonaggression agreement between the North and the South, of simultaneous entry of the North and the South into the United Nations, and of North-South cross recognition, on the pretext of talks among the persons concerned in the North and the South in an attempt to replace our new arms reduction proposal.

This is a camouflaged trick designed to block the great vitality of our proposal for arms reduction negotiations and to disguise themselves as interested in peace and

peaceful reunification and is a deceitful scheme to put the veil of peace and peaceful reunification over the signboard of war and permanent division.

In resolving the Korean issue, there are separate issues that should be resolved with the United States participating, and there are separate issues that should be resolved by our own people. The internal issues of the nation concerning national reunification can be resolved through talks that have already been established between the North and the South. However, the issue of arms reduction can be resolved only through talks in which the United States, the directly concerned party, participates.

The United States is a directly concerned party that signed the agreement of the Korean Armistice and has the legal and moral obligation to resolve the question of peace on the Korean peninsula. The United States has dragged about 40,000 aggressive troops and various modern lethal weapons, including nuclear weapons, into South Korea. It is the practical ruler who seized all real power in South Korea, including the prerogative of supreme command over the puppet army.

Therefore, it is an unavoidable duty of the United States to participate in talks that discuss the issue of arms reduction. Nevertheless, the United States and the South Korean authorities have refused all our repeated peace initiatives by turning away from the arms reduction proposal.

All facts clearly show that the U.S. imperialists and the South Korean authorities are in actuality pursuing confrontation and permanent division, although they rave loudly that they want peace and peaceful reunification of the Korean peninsula.

Recently, the U.S. imperialists and the South Korean fascist clique are more viciously perpetrating troop reinforcement maneuvers and the slanderous anti-Republic commotion while loudly talking about successfully holding the Olympics. This also proceeds from such aims.

Traitor No Tae-u's victory in the presidential election was fabricated some time ago in South Korea through fraudulent and corrupt elections, with money and the government authority under the behind-the-scenes manipulation of the U.S. imperialists.

Because of this, the aspirations of the South Korean people, who are fighting to achieve the independence and democratization of society and who oppose the extension of the military fascist dictatorship, are again being cruelly trampled underfoot.

Today the opposition parties and people from all walks of life in South Korea recognize that the recent presidential election, in which traitor No Tae-u's victory was concocted through an unprecedentedly fraudulent and

corrupt election, is null and void. They are continuously waging the vigorous anti-U.S. and antifascist struggle. This is exceedingly natural and just.

How viciously the South Korean puppets are maneuvering to repress the people's aspirations for independence, democracy, and reunification and to continuously serve as the U.S. imperialists' colonial stooges is clearly shown in the slanderous anti-Republic commotion that they staged more frantically amid the missing South Korean passenger aircraft incident.

The South Korean fascist clique forcibly extradited people who possessed the passports of other country to South Korea while outrageously violating human rights and international laws by linking them with the incident of the passenger aircraft. It is now frantically running amok to produce a slanderous drama against us. However, no matter what falsehood it fabricates, no one in the world would believe it.

Availing myself of this opportunity, I, in the name of all the Korean people, sternly denounce the South Korean puppets who are staging the slanderous anti-Republic maneuvers more viciously than ever before while pursuing confrontation, war, and permanent division, rejecting all peace proposals, including our just proposal for high-level political and military talks. I sternly denounce the criminal maneuvers of the U.S. imperialists, the ringleaders who oppose peace and the peaceful reunification of our country, blocking the independence and democratization of South Korean society. [applause]

Comrades: Today we are faced with the urgent and important task of eliminating the danger of war by ending the state of acute confrontation between the North and the South and of opening a new phase for peace and the peaceful reunification of the country.

To ensure durable peace in our country and provide preconditions for peaceful reunification, negotiations should be held among us, the United States, and South Korea on easing tension and peace. The United States and the South Korean authorities should respond, at the earliest possible date, to the proposal for tripartite talks we put forward with which the peace-loving people of the world expressed sympathy. They should turn out at the table for multinational arms reduction negotiations.

The South Korean people should tenaciously struggle to force the U.S. imperialist aggressors to withdraw from South Korea by upholding more highly the anti-U.S. banner of independence they have already raised and to achieve the independence of society. The United States should discard the foolish idea of seizing South Korea as its permanent colony and military base and should return to its den, taking along its aggressive troops before it is driven out disgracefully by the South Korean people's anti-U.S. resistance struggle.

To ease tension in our country and open a new phase for peace and peaceful reunification, democratization of South Korean society should be achieved. The South Korean people should not cease their struggle until an end is put to the military dictatorship and democracy is realized.

The most reasonable method for reunifying the divided fatherland based on the three principles for national reunification, the common reunification program of the entire nation, is to realize the plan to found the Democratic Confederal Republic of Koryo. To achieve national reunification in such a manner as to found a confederal state, all of the Korean people in the North, the South, and overseas should be firmly united under the banner of national reunification transcending differences in ideologies, systems, factions, and political views.

A grave, yet glorious task is laid before the people of the northern half of the Republic in the pannational struggle to expedite the independent and peaceful reunification of the fatherland. We should wage the three revolutions—ideological, technological and cultural—more vigorously under the leadership of the party along the brilliant path for the complete victory of socialism elucidated by the great leader Comrade Kim Il-song in his historic policy speech. We should effect an epochal advance in accomplishing the cause of remodeling the entire society on the *chuche* idea.

Only victory and glory are laid before the Korean people who are fighting for the complete victory of socialism and for the independent and peaceful reunification of the fatherland by upholding the great leader Comrade Kim Il-song and following the wise leadership of dear leader Comrade Kim Chong-il. [applause]

Let us all fight tenaciously for ultimate accomplishment of the *chuche* revolutionary cause in firm unity with the party Central Committee headed by the respected leader Comrade Kim Il-song by upholding the revolutionary banner of the immortal *chuche* idea. [applause] [end recording]

KCNA Views Prospects for New Year
SK041036 Pyongyang KCNA in English
1003 GMT 4 Jan 88

["Prospects of new year"—KCNA headline]

[Text] Pyongyang January 4 (KCNA)—This year is a year of great significance in Korea which marks the 40th anniversary of the foundation of the republic (september 9).

The great leader President Kim Il-song has taught as follows:

"This year we must bring about another great upswing in all fields of socialist construction and ensure that our republic which has risen to a high level as a socialist state that has become independent, self-sufficient and self-reliant in defence, by overcoming many-fold difficulties and trials, will demonstrate its might to the whole world and celebrate its 40th anniversary as a grand festival of victors."

The central task facing us in socialist construction this year is to add greater momentum to the grand project which is already making long strides.

First of all, we will continue to direct great effort to the projects for expanding and strengthening the technical foundations for production in the power industry, coal mining, metallurgy and other key industries.

The power industry will complete, within the first half of the year, the construction of the taechon and wiwon power stations and the sunchon thermal power station and the third-stage work of the sodusu power station, which are now under way, to create a capacity of generating over 1.2 million kva, and press on with the construction of the Kumgangsan, Nyongwon, Huichon, Namgang and Kumyagang power stations.

The coal-mining industry will reconstruct or expand on a large scale the coal mines in the Anju and Sunchon areas and in the northern and other areas where there are large deposits, and open up new coal mines so as to increase coal output markedly.

The metallurgical industry will complete the second stage expansion project of the kim chaek iron and steel complex within the first quarter of the year and build a new steel plant with a capacity of 2 million tons in the Chollima steel complex, which will feed on domestic raw materials and fuel. It will also undertake a project to develop the musan mining complex, which is rich in deposits, into a modern, large-scale centre for the production of iron-ore concentrate so that it can acquire the capacity of 10 million tons during the next few years and then the capacity of 15 million tons on a long-term basis.

This year, too, we will concentrate on the construction of the Sunchon vinalon complex and sariwon potassic fertilizer complex to develop the chemical and light industries and provide an adequate solution to the problems of food, clothing and housing for the people. When the sunchon vinalon complex has been built, it will annually produce one million tons of carbide, 750,000 tons of methanol, 100,000 tons of vinalon, 900,000 tons of nitrogenous fertilizer, 250,000 tons of vinyl chloride, 250,000 tons of caustic soda, 400,000 tons of sodium carbonate and various other chemicals, and 300,000 tons of protein feed. If we finish the construction of the Sariwon potassic fertilizer complex and deal annually with 3 million tons of potassium feldspar abundantly

deposited in the Chongdan area, we shall be able to produce 510,000 tons of potassic fertilizer, 420,000 tons of alumina and over 10 million tons of cement.

A drive will be made to finish the construction of Kwangbok street and other important structures in Pyongyang ahead of schedule.

This year great effort will be directed to the development of railway transport to decisively increase transport capacity. For this, we will finish the electrification of the sections which are yet to be electrified and produce great many 8-axle electric locomotives and 100-ton goods waggons so as to enable the railways to perform heavy-duty service as soon as possible.

This year will witness a new turn in agricultural production. To this end, we will continue adhering to the agriculture first policy of our party, produce large number of tractors, lorries and modern farm machinery and various kinds of chemical fertilizers for the country areas while launching an all-people movement to establish the sprinkler irrigation system for 500,000 hectares of dry fields, the project to bring irrigation to a new higher stage and make it complete, and we will push forward tideland reclamation and the movement to obtain new land so as to increase the cultivated area.

The tasks in socialist construction this year are honourable in that they are aimed at opening up bright prospects for the successful implementation of the third seven-year plan and for the radical improvement of the people's livelihood.

To carry out these tasks with success, Korea will press ahead this year, too, with the three revolutions, ideological, technical and cultural, holding high the banner of the *chuche* idea.

Collectivism Viewed as Fundamental to Socialism
41100033 Pyongyang MINJU CHOSON in Korean
23 Sep 87 p 2

[Article by Pang Chol-min: "Collectivism Is Vital to Socialism"]

[Text] The socialist system is inseparably related to collectivism. Collectivism is one of the quintessential characteristics of the communists, and it constitutes a basis for socialist social life. In the socialist society all workers, based on the principle of collectivism, mutually help and pull together in order to work with devotion for the progress of society. Because of this, socialism is proving to be an advanced social system which brims with the good communist custom of mutual respect and trust, and in which such a custom fully blooms and endlessly progresses.

Collectivism Is Vital To Socialism

Comrades Kim Chong-il, a member and secretary of the Standing Committee of the Political Bureau of the party Central Committee pointed out as follows: "We may say that collectivism is extremely vital to socialism".

Collectivism is a lofty revolutionary spirit of workers of the socialist society who struggle with full devotion to the fatherland and the people. It is a spirit where workers subordinate their individual interest to the interest of the collective, where they consider the general interest of the country before the interest of their units and sectors, and struggle with devotion, their utmost wisdom and talent for the general interest of the country.

When we say that collectivism is vital to socialism, it implies that the socialist society is based on collectivism and collectivism forms the basis of the socialist community relations.

From the viewpoint of socialist relations, socialism is a society in which collectivism is embodied. In the socialist society the working masses are the masters of the means of production, the state, and society, and everything in society serves the working masses of people. In the socialist society workers deeply recognize that the interest of society and the collective is included in their own interest, and that in the prosperity of the country lies their happy future. And in the socialist society they work with creative enthusiasm for the progress of society and the collective to accelerate production and construction. Therefore, in the socialist society the collectivist spirit that treasures socialist interest and collective interest more than individual interest firmly prevails.

In the socialist society which is the society of the working class collective interest and individual interest basically agree. In a socialist society the results of labor are totally assigned to the enriching and strengthening the country, and promotion of the welfare of the people. And as society progresses, greater state and social benefits are assigned to the people. To that degree, a socialist society, in the interest of society and the collective, includes the share of workers, and individual welfare is totally dependent on the development of social production. For that reason, in the socialist society collectivism is fully embodied.

In the capitalist society in which class confrontation is intense and individual demand and interest are given a priority position, collectivism is unthinkable. In this society in which only individual pleasures are pursued, extreme individualist egotism and the law of the jungle prevail. Because of this, the capitalist society brims with corrupt social trends, and all corrupt social evils.

While the capitalist society is a society based on extreme individualist egotism, the socialist society is a society based on collectivism. In this society all social relations are made on the basis of collectivism. This demonstrates

that apart from collectivism we cannot speak of a socialist society, and collectivism is an essential characteristic that defines the superiority of socialism and its power, and it is vital to socialism. It is unthinkable apart from the fact that collectivism is vital to socialism that today socialism, brimming with vitality and vigor is ever triumphant and its vitality is more highly displayed with each passing day.

That collectivism is vital to socialism is evident in the fact that above all collectivism forms the basis of the ideology and action of workers in a socialist society.

The vitality of society lies in the resoluteness of sociopolitical collectives, and it is importantly related to the revolutionary spirit of people who comprise society.

In a socialist society the masses of people form sociopolitical lives with eternal vitality with the party and the leader at the center, and individual workers are the components of such sociopolitical collectives. In order to consolidate sociopolitical collectives, all members of society must be bound, as a unified body, to the uniqueness of ideology and conviction, and with a commonality of purpose and interest. The important ideological source that can bind people to a single center of leadership and unity, and that can glorify their sociopolitical lives, is none other than collectivism.

Collectivism literally means collective devotion to revolutionary organization. Collectivism enables workers, fully understanding that they cannot live even for a moment apart from the organization, collective, and comrades, to treasure most their organization and their collective, to treat organization and collective with dignity, and to proceed with all their activities by depending on it.

A conviction in victory and an indomitable spirit of struggle that revolutionaries must bear without fail, passionate patriotism, and warm love toward their comrades also flow from collectivism.

Since collectivism particularly induces deep devotion and loyalty toward their leader and leaders, it enables workers to glorify forever their sociopolitical lives.

The leader is the most prominent figure and center of sociopolitical lives. Only under the correct guidance of the leader are the people united organizationally and ideologically, and able to glorify their true sociopolitical lives. Accordingly, loyalty to the leader is a decisive condition for glorifying precious sociopolitical lives.

What constitutes the basic nucleus of the collective spirit in loyalty toward their leader and leaders. Collectivism enables people to cherish deeply their loyalty toward the party and the leader with revolutionary conviction and obligation, and to devote their lives to the sole path of revolution, lead by the party and the leader.

Collectivism that is highly displayed among our workers today is a collectivism based on the absolute trust of, and super-heated loyalty to, the great leader and our party. Because the basis is such a lofty collectivism, in our society all people form a sociopolitical living organism that lives forever, with the party and the leader at the center. And the political and ideological solidarity and unity of this living organism is an iron-clad one that nothing can destroy.

Thus, collectivism forms the basis of the ideology and action of people for consolidating the sociopolitical collective. Herein lies one of the conditions that collectivism becomes the life of socialism.

That collectivism is the life of socialism also is seen in the fact that it forms the basis of maintaining a socialist society and consolidating and developing it.

The socialist system and the methods to manage it have inseparable relations. Since the socialist society is a society based on collectivism, the appropriate methods for managing it ought to be management methods based on the principle of collectivism. Only if the socialist society is managed on this basis can we achieve a harmonious development of society to suit the aspiration and demand of the working class, and further consolidate and develop the socialist system.

Material life forms one of the two major areas of social life, and embodying the principle of collectivism in the management of the socialist economy is an important demand in vigorously stepping up socialist construction by highly displaying the inexhaustible power and wisdom of the masses, and in consolidating and developing the state and social system.

The socialist society continually develops with the creative power and wisdom of the producing masses. In the socialist society the source of the masses' invincible power lies in their organizational unity, and it is formed by collectivism. In the socialist society all workers participate with the collectivist spirit in a master-like manner in general economic work, including production, management, and technical innovation. And under the slogan, "One for all and all for one!", they cooperate and assist in a comrade-like fashion, and generate collective innovation. Accordingly, it is an important method of most accurately managing and controlling the socialist economy to embody the principle of collectivism in economic management.

The Taean work system that our party has proposed is an excellent economic management system which superbly embodies the principle of collectivism in economic management. Since the Taean work system strengthens collective guidance over production, gives a firm preference to political work, induces the superior to substantively aid the subordinate, and enables the strengthening of the unified and collective guidance over production, it,

therefore, enables workers as masters of factory management and production to fulfill their responsibility and role as the masters of factory management and production.

Precisely because of this, this work system becomes a powerful weapon for scientifically and rationally managing and controlling the economy, and a motive power to strongly push socialist economic construction.

In the past our people, under the guidance of the party, fully embodied the Taean work system in economic management, and they were able to achieve brilliant results in economic construction. It is unthinkable apart from the power of the Taean work system that today our economy has been developed and strengthened as a self-sustaining economy which fully produces by itself all that is needed to enrich and strengthen the country and promote the welfare of the people, and thus the chucheization, modernization, and scientification of the people's economy is being vigorously accelerated.

Now, with the great idea of generating new upsurges in socialist economic construction in order to strengthen in all ways the political and economic power of the country, and to epochally raise the livelihood of the people, our party is endlessly proposing new ideas in all areas of the people's economy. These party policy tasks, no matter what they may be, can be implemented only with the collective activity and struggle of workers. For this reason, when the principle of collectivism is fully embodied in all sectors, and at all units, with the united power of our people can we successfully fulfill the vast tasks before us this year and the grandiose objectives of the Third 7-Year Plan, and going a step further can we bring excellent fruition to the economic policy of our party.

What is important is fully embodying the principle of collectivism at present is to fully embody the mass movement policy that our party has proposed.

The mass movements which are vigorously being developed in our country today, the movement for winning the Red Banner of the Three Revolutions, and the movement for emulating the models of hidden heroes, are a collective innovation movement, and a communist march forward movement that all workers, with a common objective and interest in the socialist and communist cause, and with the self-awareness as the masters of revolution, are developing. When we take firm control of these mass movements that our party has proposed, just as we forged surprising and admirable miracles and feats during the great Chollima upsurge, can we generate new upsurges in the economic development of the country and vigorously accelerate the march of the 1980's.

All functionaries and workers are urged to highly uphold the wise guidance of the party and the leader, and to fully embody the principle of collectivism in all areas of social life so as to further consolidate the power of the socialist system and to vigorously step up socialist construction.

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MILITARY

General Cautions U.S. Not To Repeat Past 'Misdeed'

41100222 Pyongyang NODONG SINMUN in Korean
26 Jul 87 p 3

[Article by Gen Choe In-tak of the North Korean People's Army: "American Imperialists Must Behave With Discretion Without Forgetting the Lessons of History"]

[Text] This is the 34th year since our people have won a great victory in the war of liberation of our fatherland.

With high dignity and pride as victors in the war and with raging hostility toward the American aggressors, our people and the People's Army observe the anniversary of the historic victory.

With a wild hope of destroying our Republic at its very inception, turning all of Korea into a colony, and further, with an ambition to dominate Asia, the U.S. imperialists launched a war of aggression in Korea. The U.S. imperialists threw in large forces, more than 2 million men strong, consisting of the forces from the 15 servile states and the South Korean puppet forces, and vast amounts of the latest combat technology and materiel into Korea. It employed the most vicious and barbaric means of war. But they were unable to bring our people and the People's Army into submission and could not satisfy their vicious ambition.

The U.S. imperialists suffered irreversible serious military, political, and moralistic defeats in the 3-year long war and were compelled to sign the truce agreement on their knees in front of the Korean people. It was the first shameful major defeat for the U.S. imperialists in their bloody history of aggressions.

Our great leader, Comrade Kim Il-song instructed as follows: "By winning a great victory in the war of liberation of our fatherland, our people gave a severe blow to the pride of the U.S. imperialists who had boasted that they were the mightiest in the world, smashed into pieces the myth about their strength, and our people were instrumental in bringing about the beginning of the decline of the U.S. imperialists. ("Works of Kim Il-song," Vol 22, p 424)

The victory of our people in the war of liberation of our fatherland meant a brilliant victory of our ever-victorious great leader, the lion-willed mighty leader, Comrade Kim Il-song's self-reliant military thought, strategy, tactics, superior military leadership and extraordinary strategy.

By personally assuming all the heavy responsibilities of the war, our beloved leader, Comrade Kim Il-song, provided accurate strategic and tactical directions, and ably organized and led the entire party, the entire military, and all the people to realize the objectives.

Basically, the outstanding and refined leadership of our beloved leader, Comrade Kim Il-song contributed to our people's great victory in the war of liberation of our fatherland. The victory of our people in the war of liberation of our fatherland was the brilliant result of the invincible strength which grew out of the unity and solidarity of our people around the party and the leader.

Whenever we look back at the victory in the war of liberation of our fatherland, our people and the People's Army are warmly reminded of the greatness, the wise leadership, the imperishable record of achievements of our beloved leader, Comrade Kim Il-song, and have a deeply felt sense of dignity, pride and confidence of victory because we are under the leadership of the great leader.

Today, the U.S. imperialists are, instead of learning a lesson from their disastrous defeat in the Korean war, pursuing the ambition of dominating the world, and are even more frantic in provoking aggression and war than before. They are frantic to start a new war—a thermo-nuclear war in Korea.

In accordance with their aggressive Asian strategy, the U.S. imperialists are frantic to create a triangular military alliance consisting of the United States, Japan and South Korea, and expand their forces of aggression and military bases in and around South Korea. They have already deployed more than 1,000 nuclear weapons, and are massively introducing Lance missiles and many other types of modern war machines.

The American warmongers have perfected the tactical command system to execute their war of aggression in South Korea. They conduct adventurous military exercises, and provoke a war of aggression more openly than before. This year alone, they conducted a month-long joint military exercise called the "Team Spirit '87" by involving several hundreds of thousands of military personnel. They continuously committed military provocations in the air, on the land, and the sea.

The puppet traitor Chon Tu-hwan, who is a faithful running dog of the U.S. imperialists, has stepped up fascist oppression of the people to an unprecedented degree, and is creating a tense war atmosphere by building up a large puppet armed force and increasing military capabilities.

Smashing the renewed war provocations of the U.S. imperialists and their lackeys, and achieving peaceful unification of our country is a very important and urgent task for our people and the People's Army today.

Our party and the government of our People's Republic are making every effort to bring about a stable peace in our country and its peaceful unification. As has been known, last year alone our party and government decided not to conduct a large-scale military exercise, proposed to hold a high level political and military talk between North and South Korea, trilateral talk between North Korea, the United States, and South Korea, and made a peace proposal to create a peaceful nuclear free zone on the Korean Peninsula. We made a first move by having 150,000 soldiers participate in the socialist construction. Recently, our government once again has issued a statement proposing a large-scale stage-by-stage reduction of forces. According to the statement, both North and South Korea reduce their forces in three stages between 1988 and 1991, and each will maintain forces below 100,000 strong from 1992 onward. It also contained such important proposals as the reduction of the U.S. forces stationed in South Korea by stages, and when the North and South Korean forces are reduced to 100,000 each, the United States is to withdraw from South Korea all military including nuclear weapons and close down their military bases. To find a practical solution for disarmament the statement also contained a proposal to reduce the Korean People's Army by 100,000 unilaterally by the end of 1987. This is an example-setting and momentous move to relax the tensed situation on the Korean Peninsula and to assure peace in a practical way. This proposal is supported widely both in and out of Korea.

Without first casting suspicion on the proposal of our government which genuinely seeks peace and relaxation, the United States and South Korean officials must consider the proposal seriously and keep in step with the trend of the time and respond affirmatively.

The risk of war in our country is entirely brought about by the U.S. imperialists and the South Korean puppet group. The clamor about the "danger of invasion of the South" by the U.S. imperialists and the South Korean puppet group as if they are singing an old song is nothing more than a sophistry to cover up their war provocation scheme in Korea. Peace and unification in Korea can be realized only when the plot of the U.S. imperialists to create "two Koreas"

and invasion scheme are stopped and crushed and when the invasion army of the U.S. imperialists is driven out of South Korea.

The U.S. imperialists are the irreconcilable enemy of the Korean people, and they are the ones who force misfortunes and sufferings upon our people.

The will and determination of our people and the People's Army to smash the plots of the U.S. imperialists and their lackeys to perpetuate the division of our people, to provoke a war, and to unify the divided fatherland can never be broken.

Our people's great task of smashing the invasion and war provocation plots of the U.S. imperialists and their lackeys and unifying the fatherland is a great task for justice. Therefore, no matter what kind of hardships and trouble befall us, the victory belongs solely to our people.

Presently, our political, economic, and military power is incomparably stronger than that during the war of liberation of the fatherland last time.

We have a superior and viable socialist system, a very powerful self-sufficient economy, and defense. Especially, we are firmly united around the party's Central Committee which is under Comrade Kim Il-song whom the entire party, army and people respect and admire. We also have the powerful strength to oppose imperialism, and we have reliable international support and solidarity.

We are warning U.S. imperialists and their lackeys not to believe that their adventurous moves will somehow be successful.

Our people and the People's Army have grown. It has been trained in the storm of bloody guerrilla wars, tough modern wars, and long anti-imperialistic struggles. Today, in our revolutionary column and in our revolutionary 1-a-match for 100 fighting force, the old anti-Japanese fighters, the old soldiers of the war of liberation of our fatherland, and the youth of the new generation, who have a burning sense of hatred and determination against the enemy, are solidly united. Overflowing and absolute faithfulness of these people toward the party and the leader, and their conviction and determination to defend and support the party Central Committee are unshakably firm.

The U.S. imperialists and their lackeys should not mistakenly take our struggle for world peace and a peaceful unification of our country as a sign of weakness. If the U.S. imperialists and their lackeys again start another war of aggression in Korea our people and the People's Army will sternly punish them, and the aggressors will be wiped out to the last person.

History has proven that those who disrupt peace and hinder the great work of the people's justice cannot escape a severe rebuke. If the U.S. imperialists forget the bitter lessons of the disastrous defeat of the past, and renew their reckless hostility, they will suffer a defeat thousands of times worse.

In a move to join in the Asian strategy of the U.S. imperialists, the Japanese militarists who wish to realize their old ambition have won our people's outrage and the concern of the people of the world. The Japanese reactionaries must abandon such an out of date fantasy, and immediately stop all sorts of moves to impede peace and unification in Korea.

The South Korean military fascist group which has become the lackeys of the U.S. and the Japanese aggressors, and behaved recklessly will share in the tragic fate of a colonial puppet.

Executing our party's policy for preventing war and defending peace is an honorable mission for our People's Army.

The Korean People's Army is the one which was created and led by our beloved leader, Comrade Kim Il-song, and it is the army of the Korean Workers Party. It is the unshakable determination of our People's Army that it will share in the fate of the party to the last, under any circumstances, and it will firmly defend and support the fatherland, and the benefits that have been won by the revolution.

Our People's Army, the single-minded united revolutionary force with high regard for our beloved leader, Comrade Kim Il-song, the great military strategist who defeated two imperialists, the United States and Japan, in a period of one generation, and who is an iron-willed military leader who is ever-victorious, and which is under the leadership of our dear Comrade Kim Chong-il, is unrivaled in the world.

Our party is a great guide who always leads our people and our People's Army on the road to victory. By upholding and thoroughly carrying out our party's leadership and firmly adhering to the party policy of converting the entire military to the chuche ideology and revolutionizing it, we will solidly arm all the soldiers with our party's chuche ideology and turn them into invincible revolutionary fighters who possess the high revolutionary character, the partisan character, the working class character, and the people's character. At the same time, by continuously adhering thoroughly to our party's self-defense policy, we will lay a firm foundation for our entire land to make it an impregnable fortress. The combat capabilities of the People's Army will be reinforced in every way possible. Our people and the soldiers of the People's Army, always with high revolutionary vigilantism, will watch closely every movement that their

enemies make, firmly protect our socialist fatherland intensely and launch a powerful struggle to bring about prosperity in our country.

There will be only victory and brilliance in the future of our people and the People's Army which steps up, by solidly uniting around the party and the leader, their righteous endeavor to bring about peace and unification in our nation.

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Two Korea's Military Preparations Compared
41050006 Tokyo GUNJI KENKYU in Japanese
Dec 87 pp 190-194

[Text]

U.S. Assistant Secretary of Defense Armitage's Remarks on "Possible Transfer of Operational Control Under Study"

During his visit to South Korea, U.S. Assistant Secretary of Defense Armitage (in charge of international security affairs) held a press conference at the headquarters of the U.S. Forces Command in Korean on 12 September. Answering reporters' questions on the issue of transferring operational control of the ROK Armed Forces, he made the following points:

1. If change in the operational control of the U.S.-ROK Combined Forces is deemed necessary in view of the matured relationship between the United States and the ROK, he thinks operational control should be transferred to the ROK Forces after full discussion by the two countries. This issue is scheduled to be brought up at the ROK-U.S. security conference next year.

2. It is the official position of the U.S. Government that unless it is the will of the majority of the Korean people, the U.S. forces should no longer be stationed in Korean. The U.S. forces are stationed there because it is the will of the Korean people. It would be impossible for the U.S. forces to stay there without the support of the Korean people. However, as of this moment, there is no plan whatsoever for the withdrawal of the U.S. forces from South Korea.

The issue of transferring the operational control of the ROK forces has long been raised. Last year it was frequently brought up at the ROK National Assembly, in particular, as a consequence of intensifying anti-American student movements.

Behind Armitage's remarks to the effect that "the issue is scheduled to be discussed at the ROK-U.S. security consultation next year," there may be the following considerations:

1. The anti-American sentiment remains high in South Korea;

2. With the remarkable development of the ROK economy, the quality of the ROK forces' armament has reached a considerably high level;

3. For the sake of the relaxation of tension on the Korean Peninsula, it is necessary to remove the North Korean charge that "the supreme command over the South Korean forces is in the hands of the United States";

4. As it now stands, in case a war should break out somewhere else, it will be difficult to transfer U.S. forces from Korea to the trouble spot.

Commenting on Armitage's aforementioned remarks, TONGIL ILBO, a Tokyo-based newspaper affiliated with South Korea, in its 15 September editorial welcomed his view, to all intents and purposes, saying: "The transfer will mark a historic milestone in the road to the self-determination of our nation, and it should materialize as soon as possible, as the operational capability of the ROK Forces improves."

On the contrary, [the South Korean paper] CHOSON ILBO in its 15 September editorial said that "Assistant Secretary Armitage's remarks goes against the grain of the Korean people." Stressing that the proposed transfer is still premature, the editorial said: "Two conditions should be met to transfer or withdraw the supreme command. The first condition is that the existing armistice agreement be replaced by a nonaggression or peace agreement between the North and the South as the only signatories. The other condition is that the North abandon its line of maintaining the military superiority over the South and disband all paramilitary organizations except regular military personnel."

A TONG-A ILBO editorial also said that "a framework of peace on the Korean Peninsula should take hold prior to any transfer of the supreme command." The South Korean mass media were thus unanimous in stressing that the time is not ripe.

At the 14 October plenary session, the ROK National Assembly took up the operational control transfer issue. In his testimony, Defense Minister Chong said that "at the present stage, I see no practical merit." He made the following points on the issue:

1. Since the establishment of the ROK-U.S. Combined Forces Command in 1978, the ROK and U.S. forces have jointly exercised the power of operational control. However, because the commander of the combined forces is an American general, most of the people have the wrong idea that the power of operational control rests solely with the U.S. forces.

2. For the ROK to completely take over the power of operational control, the ROK forces' own combat strength should exceed 70 percent of that of North Korea. Probably, it will be not until the mid-90's that the operational control transfer issue can be a topic of discussion.

3. If the question of commanding the combined forces by a ROK officer is raised, there is the possibility that the question of withdrawing the U.S. forces from the ROK will crop up. Therefore, at this moment, the transfer in question has no practical merit, nor is it desirable.

Defense Minister Chong had made similar remarks at the National Assembly Defense Committee on 24 September, qualifying them as his personal views.

Most probably the ROK truly wishes to have the power of operational control in its hands as a sovereign state. Particularly, in view of their national traits, no doubt it is the South Korean people's strong desire to take over operational command. However, although they did not say it expressly, it is quite clear that they think they have to put off the transfer of operational control for the time being, in view of the tragic division of the country, the present state of their national economy, and their level of technology.

Will the issue be actually discussed at the ROK-U.S. security consultative conference next year as Armitage said? At his press conference at Kimpo Airport, former President Ford said that "the U.S. Government is studying this issue in a forward-looking manner." Depending on the future international situation and the domestic situations in the United States and South Korea, one cannot rule out the possibility that the issue will come to the fore.

Replacement of ROK Chief of Operations

With the expiration of the (3-year) term of Chief of Naval Operations Choe Sang-hwa, First Deputy Chief of Naval Operations Vice Adm Kim Chong-ho was promoted to the rank of admiral and appointed as new chief of naval operations, effective 4 September. Admiral Kim is the 16th chief of naval operations.

Adm Kim Chong-ho, 54, hails from North Kyongsan Province. He graduated from the Naval Academy in the 10th graduating class, the Naval Staff College, and the School of Management of the Kyongnam University. He was successively appointed as a destroyer commander [date not given], the commander of the Navy Air Corps in 1979, the area commander in 1982, the commander of the Chinhae Naval Station in 1983, the ROK Fleet commander (tentatively renamed as "operations commander") in 1984, and the first deputy chief of naval operations in 1986.

Admiral Chong is said to be a recognized authority in submarine operations. He has a marvelous memory and is so bright that his nickname is "computer." He is a scholarly type and handles everything in a reasonable way.

He is not a sedentary type and makes his morning round of the Navy BOQ's compound cleaning the yards. In the Navy, he is called the most diligent person.

Tennis and go are his hobbies. He is married with one son, and two daughters.

The ROK Navy came to have its first submarine unit, although small in size, this year. It is quite opportune that the first authority in submarine operations has become the highest officer of the Navy.

ROK Army's New Korean-Made Tank

In the past the mainstay tanks of the ROK Army have been M48-A3 and A5, the remodeled versions of M48-A1 and A2, but recently a newly developed tank has been adopted as its mainstay tank.

The new tank is small in size and light in weight to suit Korea's terrain, and it is said to be superior to North Korea's existing T-62 tank and the T-72 tank which North Korea plans to introduce in the future, in terms of mobility, defensive capacity, and the accuracy of fire power.

It was in 1975 that the ROK decided to develop this new tank, completed its blueprint in 1981, and began producing it in 1984. Subsequently, proficiency tests were conducted, and it is reportedly in a mass production stage at Hyondae Precision Factory now. Some tanks of this type are reportedly in operation in several frontline battalions.

According to reports, South Korea plans to produce 800 tanks of the new type ultimately.

When it was in its developmental stage, there were occasional reports about this tank. But it was open to the public for the first time at the Nightmare Firing Range under the 5th Army Corps in the central sector of the frontline on 18 September. The new tank was named "88 Tank" in honor of the 1988 Seoul Olympics. At that time, soldiers from various branches made a joint combat firing exhibition using this new tank and other Korean-made weapons, such as the armored car, Balkan cannon, 155-mm self-propelled gun, multi-chamber rocket launcher, and MD-500 helicopter.

According to reports, these are basic data on the new tank: It is 9.67 meters long (including the main turret), 3.59 meters wide, 2.25 meters high, and weighs 51 tons in action. Powered by a 1,200-hp water-cooled diesel engine, it can make a maximum speed of 65 kilometers per hour. It is equipped with a laser range-finder; an

electronic ballistic computer; a night thermal image sensor; a detection and warning device against biological, chemical, and radioactive substance; a 115-mm main gun; a submachine gun; and a smoke-bomb launcher. The tank, with a crew of four, is capable of passing through hurdles up to 1 meter high and 2.74-meters deep ditches. It is also capable of crossing a river at the depth up to 1.2 meters (up to 1.8 meters deep when equipped with a river-crossing device). Its maneuvering range is 500 kilometers. It has an automatic transmission (four forward gear shifts and two reverse gear shifts). The turret's angle of recline is between +20 and -10. The tank carries 47 rounds of shells for the main gun, 2,000 rounds of machine gun bullets, and 5,000 rounds of other ammunition.

Compared with conventional tanks, the height of the 88-Tank is low, the space between the ground and the bottom of the tank being 0.46 meters.

"People's Army Troop Strength" as Disclosed by North Korea

"To provide a decisive momentum for the the relaxation of tension on the Korean Peninsula and for the promotion of the peaceful reunification of Korea," North Korea proposed a drastic reduction in troop strength to the United States and South Korea on 23 July. As part of this move, North Korean announced on 30 July that it "will discharge 100,000 soldiers from the military service by the end of this year."

In this connection, a spokesman of the Ministry of People's Armed Forces issued a statement on 10 September urging that "the U.S. and South Korean authorities should agree to our proposal for arms reduction negotiations as soon as possible." In this statement, he disclosed that the troop strength of the People's Army is 420,000.

The spokesman said: "Our population is less than half of that of South Korea. To fulfill our gigantic goals under this condition, we have to gradually reduce the size of the People's Army, which is only about 420,000 strong, to channel personnel into economic construction. In the past month alone, we unilaterally reduced the People's Army personnel by tens of thousands and dispatched discharged personnel to various posts of economic construction."

Laying the reliability of the figure 420,000 aside, this was the first time a responsible North Korean agency has ever officially specified its own troop strength. This may be viewed as part of North Korea's open-door policy.

Never before had North Korea officially disclosed its troop strength, although some high-ranking officials gave the following informal figures:

1. Hyon Chung-kuk (vice chairman of the Committee on Cultural Relations With Foreign Countries and former ambassador to China), who visited Japan in June 1981 as head of the second friendship delegation, said that the figure is "between 370,000 and 400,000. (YOMIURI, 13 September 1983)

2. At his 12 September 1983 press conference for a group of Japanese reporters on a visit to North Korea, Kim U-chong, vice chairman of the Korea Society for Cultural Relations With Foreign Countries, stated that North Korea's troop strength "is slightly over 300,000 whereas that of South Korea is 600,000. As is evident from this, we have neither an intention nor an ability to invade the South." (MAINICHI, 13 September 1983)

Commenting on the aforementioned statement by the spokesman of the Ministry of People's Armed Forces to the effect that North Korea is now discharging some of its military personnel as part of a 100,000-man reduction plan, U.S. State Department spokesman Oakley told the press on 28 September that "there is no way to confirm it and the proposal is not realistic." Regarding the figure given by North Korea, he pointed out that "the United States estimates North Korea's troop strength at more than 800,000, but North Korea contends that the figure is only 430,000. This disparity is also important."

On 30 September the U.S. Defense Department also criticized North Korea for giving the wrong figure, stating that "North Korea's total troop strength is 840,000 (the Army, 750,000; the Air Force, 55,000; and the Navy, 35,000), but North Korea said in late July that its troop strength is slightly over 320,000."

If so, what is the real size of North Korea's Armed Forces? In a speech in 1960 or thereabouts, Premier Kim Il-song (his title was premier in those days) said that "the People's Army is a school to teach communism." North Korea's population has increased each year; and moreover, it has implemented a four-point military line since 1962. Judging from all this, the figure 420,000 given by North Korea must be the troop strength North Korea had in the 1960's; hence, most probably, the claim is nothing but a piece of propaganda directed at overseas.

Incidentally, according to the latest information disclosed by a U.S. Defense Department source, North Korea continues to introduce new military equipment from the Soviet Union. At present, the number of MiG-23 jets has been increased to 59 and Scud missiles, which were formerly estimated to be only a few, has been increased to 15.

North Korean Minister of People's Armed Forces May Have Recovered His Health

Minister of People's Armed Forces (Vice Marshal) O Chin-u, the No 3 man in North Korea, had not appeared before the public since he met with the visiting military delegation of the Ugandan Government on 6 September,

and he was reportedly hospitalized for treatment of injuries from an auto accident. But, recently he appeared on an official occasion for the first time in about a year.

On 19 August, with other party and government leaders, O Chin-u made a condolence call at the home of the late Pak Yong-sun, director of the Korean Revolutionary Museum who died at the age of 81. Pak was concurrently a member of the party Central Committee and an SPA deputy. Before liberation he fought under President Kim Il-song in the northeastern part of China in the period of the anti-Japanese armed struggle.

His latest public appearance may have a political significance, but it also signifies that he has considerably recuperated from the after effect of his traffic injuries, although he may have not recovered his health fully.

Although still in hospital, he reportedly cast a vote in the election of the Eighth SPA on 2 January. He also sent congratulatory cables on the armed forces days of socialist countries. In addition, this January he and the premier of the State Administration Council sent a joint letter to the ROK calling for "high-level political and military talks," and on his birthday on 8 March, he received the "Order of Kim Il-song," together with Vice President Yim Chun-chu (75).

However, for about 1 and 1/2 months following the aforementioned call of condolence, there were no report about any public appearance by O Chin-u until 2 October, when he watched the revolutionary play "Three-Men Party" at Mansudae Art Theater with President Kim Il-song and other party and government leaders.

Ten days later, on 11 October, he was among the platform party at the report meeting marking the 40th founding anniversary of the Mangyongdae Revolutionary Institute, a kind of "yonen gakko," namely a military preparatory school. Secretary WPK Kim Chong-il and Chief of General Staff O Kuk-yol are said to be graduates of this school. So it seems that with the advent of the cool autumn season, Minister of People's Armed Forces O Chin-u tends to make public appearances more frequently, indicating that he has considerably recovered from the aftereffect of his traffic injuries.

However, he is 70 and it is almost impossible for him to recover his health completely. Apparently, he still cannot walk without assistance.

O Chin-u is known as Secretary Kim Chong-il's mentor. He is a member of the Standing Committee of the party Political Bureau, a member of the party Military Commission, an SPA deputy, a member of the Central People's Committee, and the vice chairman of the National Defense Commission of the Central People's Committee, in addition to being the minister of People's Armed Forces and concurrently the director of the General Political Bureau of the Ministry of People's Armed Forces. So, it is not too much to say that for all

practical purposes he has all party, military, and political affairs in his hands. O Chin-u is the first person to concurrently hold the post of minister of People's Armed Forces and that of the director of the General Political Bureau of the Ministry of People's Armed Forces.

People had thought that O Chin-u was 76 years old this year, older than President Kim Il-song. However when he was awarded an order this March, it came to light that he is 70.

The question is whether he will make frequent public appearances in the future. We will watch his future activities.

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KCNA: Historical Works of Kim Il-song Published

*SK050439 Pyongyang KCNA in English
0421 GMT 5 Jan 88*

[Text] Pyongyang January 5 (KCNA)—The workers' party of Korea publishing house brought out in booklet "Let us actively wage the enemy's rear harassing operation to cope with the outbreak of the Sino-Japanese war," a speech of the great leader President Kim Il-song at a meeting of military and political cadres of the Korean people's revolutionary army (KPRA) held in Caoshuitan, Changbai county, on August 1, 1937, during the anti-Japanese armed struggle and "on vigorously carrying on military and political activities basing ourselves on the northeastern areas of mt. paektu," his speech at a KPRA military and political cadres meeting held in Kungol of Antu county, on May 24, 1939, during the same period.

The work "let us actively wage the enemy's rear harassing operation to cope with the outbreak of the Sino-Japanese war" exposed the Japanese imperialists' brigandish armed invasion of the Chinese mainland and set forth strategical and tactical policies of more vigorously waging the Korean people's anti-Japanese armed struggle and anti-Japanese, anti-war struggle in keeping with the requirements of the new situation.

President Kim Il-song said:

"We should more widely launch operations to strike at and harass the enemy's rear in broad areas including the areas around the rivers amnok and tuman in keeping with the requirements of the new situation."

The work stresses the need to carry through the demand of a guerrilla warfare that in the enemy's rear harassing operations the correct target be set and more enemy troops be wiped out with a less force.

Clarified in the work are also a policy of expanding and strengthening the anti-Japanese national united front to more widely unite the people of broad strata behind the

banner of anti-Japanese struggle and thus frustrate and thwart the Japanese imperialist moves for the escalation of the aggressive war and a policy of further strengthening the anti-Japanese joint front with the Chinese people to decisively smash the Japanese imperialist moves toward alienating the Korean and the Chinese peoples and to strengthen friendship and militant unity between the Korean and the Chinese peoples.

The work "on vigorously carrying on military and political activities basing ourselves on the northeastern areas of Mt. Paektu" gives the significance of the victorious Musan area battle fought by the KPRA after advancing successfully into the homeland.

The work puts forth a revolutionary policy of extending the theatre of struggle into the northeastern areas of Mt. Paektu and carrying on powerful military and political activities while consolidating and developing the success gained in the operation for thrust into the homeland.

It also contains a policy of further strengthening militant solidarity with the Chinese people and rendering positive support to the Chinese people in their revolutionary struggle under the conditions where the Japanese imperialists were running amuck in their attempt at occupying the whole of China and a policy of waging a vigorous struggle to aid the Soviet people's struggle by force of arms under the uplifted banner of internationalism.

The speeches are historic works which show the validity and invincible might of the outstanding military strategic ideas and superb guerrilla war tactics of the respected leader President Kim Il-sung who guided the Korean people's anti-Japanese armed struggle to a shining victory. They would serve the entire party members and working people as valuable textbooks in deeply studying and acquiring the glorious revolutionary traditions of the Workers' Party of Korea.

KPA Soldiers Reported Undertaking Projects at Construction Sites

*SK190433 Pyongyang KCNA in English
1513 GMT 18 Jan 88*

[Text] Pyongyang January 18 (KCNA)—Soldiers of the Korean people's army have performed labour feats in socialist construction sites since they rushed there in accordance with the step of the KPZ supreme command.

The government of the Democratic People's Republic of Korea sent more than 150,000 officers and men of the KPA to grand construction sites in September 1986.

They are undertaking projects for expansion of production capacity in key industrial domains and other construction objects.

The soldiers working in the power industrial domain are pressing ahead with the construction of power stations to create a capacity of generating at least 1.2 million kvh within the first half of the year 1988.

Those mobilized in the construction of the Taechon power station laid the Songwon dam to ensure the early storage last year and are now stepping up the building project of the rest at a fast tempo.

The soldiers taking part in the construction of the Sunchon Vinalon complex played a big role in basically completing the first stage building project and ensuring trial operations of various objects and production last year. Entering the new year, the first carbide kiln was completed and put into operation thanks to their endeavours. This has opened the prospects of turning out 100,000 tons of vinalon, 900,000 tons of nitrogenous fertilizer and scores of kinds of chemicals.

The soldiers participating in the construction of the Sariwon potassic fertilizer complex have already finished foundation projects for coolers and revolving furnaces and are now pressing ahead with all other construction projects there.

The soldiers mobilized in the construction of Kwangbok street have done a lot of work in their efforts to build monumental edifices last year. More than 6,000 metres of bridges, over 450 piers, over 280 kilometres of underground network and over 60 kilometres of roads were completed. They are now carrying out their daily construction plan at more than 120 percent.

Labour feats are also reported by the soldiers reclaiming tideland and building various other objects.

According to the step of the DPRK government, the KPA supreme command last year issued the order to demobilize 100,000 officers and men of the KPA till the end of 1987 and to send them to the posts of socialist economic construction in order to make a breakthrough for arms cut on the Korean peninsula. This order was implemented with success.

The demobs are now working miracles and innovations at industrial establishments and farms and various other domains of the national economy.

Efforts in Railroad Work Reported

*SK191014 Pyongyang KCNA in English
1008 GMT 19 Jan 88*

[Text] Pyongyang January 19 (KCNA)—The great leader President Kim Il-sung in his new year address for this year said that the important way of increasing the capacity of the railways at present is to electrify them and provide them with heavy-duty equipment.

In hearty response to his teachings, the workers in the field of railway transport are vigorously striving to implement them from the beginning of the new year.

Entering the new year, the Kim Chong-tae electric locomotive complex finished the sheet metal processing work equivalent to a locomotive on the basis of experience gained last year in manufacturing an 8-axle electric locomotive suited to the topographical conditions of Korea.

Now, workers of the complex started manufacturing parts of frames and body needed for the manufacture of another 8-axle electric locomotive.

The June 4 rolling stock complex is pressing with the production of 100-ton goods wagons.

Workers there will produce at least 20 heavy-duty wagons within January.

The electric railway builders are hastening on a final stage the project of switching the Pukchang-Myonghak section to electric traction.

Signal successes have made day after day in the endeavours to finish the electrification of Paekam-Tonae and Tanchon-Honggun and other sections which are yet to be electrified.

Toksong-Sinsong, Kumgol-Taehung, Changhung-Yonhung and other railway sections have been electrified in recent years.

In the third seven-year plan Korea will push ahead with modernization and scientization of railway transport and increase the transport capacity of the railways so as to boost the volume of freight transport on the railways 1.6 times.

ECONOMIC

Workers Effect Increase in Production

SK091030 Pyongyang KCNA in English
1023 GMT 9 Jan 88

[Text] Pyongyang January 9 (KCNA)—The working people of Korea are effecting an upswing in production in different branches of the national economy, upholding the new year address of the great leader president Kim Il-Song.

The Pukchang thermal power complex is fulfilling daily plan at 103 percent at least through the improved technical management of facilities.

Workers in the domain of coal industry fully displayed mass heroism from the outset of the new year. Every day they carried out the quotas of capital tunneling at 110

percent, preparatory tunneling at 113.5 percent and earth scraping at 122 percent to turn out at least 10,000 tons of coal outside the plan.

The Anju district coal mining complex is vigorously striving to double the number of coal-cutting faces as against last year and produce every month 30,000 tons from the mechanized coal-cutting face and more than 15,000 tons from the blasting coal-cutting face.

Now it is overfulfilling daily coal production plan by 8.4 percent.

The Kim Chaek iron and steel complex overfulfilled the planned production of pig iron by 1 percent, steel by 5 percent and rolled steel by 4 percent in the first operations of the new year.

These days the Musan mining complex is daily producing thousands of tons of concentrate outside the plan, while pressing ahead with the endeavours to build a concentrate production base with a 10 million ton capacity.

The Yanggang provincial mining complex is fulfilling the daily plan of non-ferrous metal concentrate production 1.4 times.

A greater quantity of cement is being produced than planned at the Sunchon cement complex and the February 8 cement complex.

Innovative successes are also reported at the outset of the new year from construction sites of Kwangbok street and other major objects [as received].

Rapid Progress Made at Iron, Steel Complex

SK111033 Pyongyang KCNA in English
1022 GMT 11 Jan 88

[Text] Pyongyang January 11 (KCNA)—Rapid progress has been made in the second-stage expansion project of the Kim Chaek iron and steel complex, a major iron production center of Korea.

Last year, the construction workers put into operation serial ingot-steel maker no. 6, a holding furnace and a scrap iron supply station, built a station for pressure reduction and heat accumulation, and exhausters. Besides, at least 30 objects including the first system of oxygen plant series and serial ingot-steel maker no. 4 were built, assembled or tested.

As a result, more than 68 percent of the second-stage expansion project of building some 50 objects has been fulfilled.

The great leader president Kim Il-song stressed on several occasions the importance of increased production of iron and steel at present and the need to speed up the project, and clearly outlined the orientation and ways.

Dear comrade Kim Chong-il defined the project as a major construction task of the nation, solved all problems in the project and warmly cared for the construction workers in work and life.

Wholeheartedly upholding president Kim Il-song's instructions and the party's plan, the workers engaged in the project are consolidating the achievements made last year and concentrating on the construction of converter no. 3, serial ingot-steel station no. 5, a forgery and other objects.

They are working hard to complete and put into operation serial ingot-steel maker no. 4 and a system of oxygen plant series, and finish a converter, heating furnace no. 3 and other major objects.

The project is of great importance in developing the national economy as a whole, especially in attaining the 10 million ton target of steel in Korea.

It is due to be completed by the first quarter of this year.

Capacity Expansion Projects in Full Swing

*SK200427 Pyongyang KCNA in English
1507 GMT 19 Jan 88*

[Text] Pyongyang January 19 (KCNA)—Working people in the power, metal and extracting industrial sectors are pressing on with the grand project for capacity expansion, upholding the new year address of the great leader President Kim Il-song.

The power industrial sector is bending big efforts on the project for creating a capacity of generating more than 1.2 million kva within the first half of the year.

Now the builders of Taechon power stations are hastening the general assembling of generator no.2 for the power station no.2 at the final stage. And they finished many objects including the installation of suckers and conical pipes for the power station no.1 and are now successfully doing assembling of parts for generator no.3.

The Sunchon thermal power plant is carrying out daily quotas for the general assembling of two generators at 150 percent at least.

Innovations are also reported from the construction site of Wiwon power station and the third-stage construction site of March 17 power station.

The Kim Chaek iron and steel complex, one of leading metallurgical bases, is raising the speed of construction 2.5 times on the whole to finish the second-stage expansion project within the first quarter of the year. as a result, all the projects including roughing machine no.4, an oxygen plant, a converter and a heating oven have entered the final stage of their construction.

Preparations are being made in a big way to build a new steel plant with a capacity of 2 million tons at the chollima steel complex and to build up the musan mining complex into a modern large-scale centre for the production of iron ore concentrate so that it can acquire the capacity of 10 million tons during the next few years and then the capacity of 15 million tons on a long-term basis.

Projects for capacity expansion of copper and other non-ferrous metal ore mines are going on in the ryanggang provincial areas.

In particular, the Hyesan youth mine is overfulfilling its daily plan for the construction of a belt conveyor slope pit, Masan shaft no.3 and for the expansion of the carrier pit.

A capacity expansion project is making brisk headway at the Sunchon district coal mining complex.

9 pits are being built on a large scale at the Chonsong youth coal mine, February 8 Chikdong youth coal mine and Sinchang coal mine of this complex. 13 coal-cutting faces of new pits have gone into partial operation.

When capacity expansion projects have been finished, coal production will increase 1.4-1.5 times.

FOREIGN RELATIONS, TRADE

DPRK Daily Calls Chon, No 'Chieftains of Torture-Murder'

*SK190457 Pyongyang KCNA in English
0435 GMT 19 Jan 88*

[Text] Pyongyang January 19 (KCNA)—In order to put a period to brutal torture-murder in South Korea, it is imperative to liquidate the traitors Chon Tu-hwan and No Tae-u, chieftains of torture-murder, and drive out the U.S. imperialists who goad the two military gangsters into torture-killing, says NODONG SINMUN today in a signed commentary.

Noting that the puppet prosecution disposed of its "investigation" into the case of covering up the truth of the brutal torture-murder of Pak Chong-chol, a patriotic student of Seoul university, by detaining the then (?chief of) police headquarters," the commentary says:

This shows that the puppets' "investigation" was one more farce of appeasement and deception designed to tone down the anti-"government" struggle of students and people which was gaining momentum in south Korea, as the seamy side of the cover-up operation was disclosed in a new aspect.

The brutal torture-killing of Pak Chong-chol is not a mere matter to be settled by jailing some hangmen involved in the murder or the boss of the puppet police headquarters who ordered the cover-up operation.

The Fascist clique announced that the "investigation" was started with a "policy of strict punishment" aimed at doing away with "corruption and illicit profiteering" and at detaining anybody who was found guilty even a modicum.

If so, the traitors Chon Tu-hwan and No Tae-u, the two military hooligans, should be referred to capital punishment as the main culprits in the torture-death of Pak Chong-chol.

In particular, the traitor No Tae-u is the chieftain of murder who founded the Namyong-dong anti-communist section of the "police headquarters" where patriotic student Pak Chong-chol was tortured to death. However, this chieftain of murder, who should have been submitted to public trial, is now brazen-faced enough to take over the "presidential" seat.

The fascist clique must look foursquare at the trend of the times, refrain from such despicable attempts at deceiving and mocking the people and step down from "power" as demanded by the people.

Daily Labels No Talk of Concord 'Trick'
SK201025 Pyongyang KCNA in English
1016 GMT 20 Jan 88

[Text] Pyongyang January 20 (KCNA)—NODONG SINMUN today in a signed article entitled "there can be no 'stability' and 'concord' under the extended military rule" notes that the traitor No Tae-u is resorting to slick trickery to bind opposition forces hand and foot under the motto of "democratization in stability" and "unity based on reconciliation" and thus stage the play for "transfer of power" which would lead to his seizure of power.

The paper says:

The traitor No's voluble talk about "stability" and "concord" is nothing but a trick of appeasement and deception aimed at justifying his "victory in the presidential election" which was rigged up by dint of government power, money and crackdown and allaying the spirit of the people in their struggle for the "nullification of the elections" and against the dictatorship.

It is the height of folly that No is making quite a noise as if his seizure of power would bring forth any "democratization in stability" and the like.

If there is anybody who thinks when No has come to power, "stability" would be brought about in south Korea, it is only the comprador bureaucrats who are of the same stock with the military dictatorial forces and the U.S. colonialists across the ocean.

No's much-touted "democratization in stability" means, in the final analysis, that he would bring forth stability of the dictatorial "regime" by his seizure of power and stability of the U.S. imperialist colonial rule after wiping out the democratic camp and opposition forces at the point of the bayonet just as the traitor Chon Tu-hwan has done up to now. This is well illustrated by the fact that now No Tae-u, a so-called "president-elect," threatens that forces opposed to his seizure of power would be suppressed mercilessly, letting no chance pass by without contending that the "leftist violent force" is the factor that disturbs stability and democracy in south Korea.

"An era of democracy and concord" much advertised by him with an argument for "unity based on reconciliation" is likewise a sanguinary slogan of fascism, a slogan for the extension of the dictatorship.

"Democracy and concord" on the lips of this traitor who usurped "power" through an unprecedented violence-oriented irregular election, challenging the desire of the popular masses for democracy, imply that the masses should "bow to" his "power" robbery and follow him. This is nothing more than his desperate scheme to suppress and destroy the democratic forces.

Indeed, it is ridiculous of No, a pro-American military gangster, to talk about achievement of "democracy and concord." It is as foolish a daydream as trying to pick stars in the heaven.

END